



# SQUAXIN ISLAND TRIBE

## RESOLUTION NO. 08- 32

of the

### SQUAXIN ISLAND TRIBAL COUNCIL

**WHEREAS**, the Squaxin Island Tribal Council (the “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 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 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 Tribe desires to finance on a tax-exempt basis the acquisition and construction of certain property and facilities owned by the Tribe and used to carry out essential governmental functions, including a Tribal health and wellness center, for the benefit of the Tribe and its members; and

**WHEREAS**, the Tribe desires to refinance on a tax-exempt basis existing indebtedness incurred by the Tribe to finance the acquisition and construction of certain property and facilities owned by the Tribe and used to carry out essential governmental functions, including public road and

utility improvements, water system improvements, a regional wastewater (sewerage) system, a wastewater recovery system, a fire station, and certain parcels of land for future general governmental purposes of the Tribe (collectively, together with the Tribal health and wellness center described in the preceding recital, the "Project"), for the benefit of the Tribe and its members;

**NOW THEREFORE BE IT RESOLVED**, that the Council hereby approves and authorizes the issuance by the Tribe of its Variable Rate Demand Tribal Infrastructure Revenue Bonds, Series 2008A (the "Series 2008A Bonds") and its Variable Rate Demand Tribal Infrastructure Revenue Bonds, Series 2008B (the "Series 2008B Bonds," and together with the Series 2008A Bonds, the "Bonds"); approves the Bonds in substantially the draft form presented to the Council at this meeting; and authorizes the Chairman (or the Vice-Chairman, in the Chairman's absence) of the Council, on behalf of the Tribe, to execute the Bonds in substantially the draft forms presented to the Council at this meeting, and to cause the executed Bonds to be delivered pursuant to the terms of the Private Placement Agreement (as defined below); provided, that the Chairman (or the Vice-Chairman, in the Chairman's absence) of the Council may approve on the Tribe's behalf any further changes to the draft Bonds, including material changes, and the signature of any such official on the final Bonds shall be construed as the Tribe's approval of such changes; and provided further, that the signatures of such officials may be manual or facsimile.

- (a) The Bonds shall be issued for the purpose of providing all or a portion of the funds required to finance the Project and to pay the costs of issuing the Bonds.
- (b) The Bonds shall be issued in registered form; shall be issued in an aggregate principal amount not exceeding \$20,000,000 (with such actual amount being determined by the officials signing the Bonds on behalf of the Tribe); and shall be dated such date, be in such denominations, bear interest payable on such dates at such rate(s) and determined in such method(s), mature at such time(s) and in such amount(s), have such prepayment or redemption and tender provisions and have such other provisions consistent with the purposes of this resolution as are set forth in the Indenture (as defined below).
- (c) The Bonds shall be printed or typed at the Tribe's expense; shall be in a form consistent with the provisions of this resolution and the Indenture; may be impressed with the Tribe's official seal (if any) or imprinted with a facsimile thereof; and shall be authenticated in the manner described in the Indenture. No Bond shall be valid for any purpose until so authenticated. The authorized signing of the certificate of authentication on each Bond shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution and the Indenture.
- (d) The Bonds shall be special obligations of the Tribe payable solely from the sources identified in the Indenture, and shall not be general obligations of the Tribe. The Bonds shall be secured by the Trust Estate, as defined and set forth in the Indenture.

**BE IT FURTHER RESOLVED**, that the Council hereby approves the following documents (each, a “Transaction Document”) in substantially the draft forms presented to the Council at this meeting: (a) the Trust Indenture (the “Indenture”), between the Tribe and The Bank of New York Trust Company, N.A. (the “Trustee”), relating to the Bonds, (b) the Private Placement Agreement between the Tribe and Banc of America Securities LLC (the “Placement Agent”) relating to the Bonds, (c) the Remarketing Agreement (the “Remarketing Agreement”) between the Tribe and Banc of America Securities LLC (the “Remarketing Agent”) relating to the Bonds, and (d) the Blanket Issuer Letter of Representations between the Tribe and The Depository Trust Company.

**BE IT FURTHER RESOLVED**, that the Council hereby authorizes the Chairman (or the Vice-Chairman, in the Chairman’s absence) of the Council (each, an “Authorized Official”), and each of them acting alone, on behalf of the Tribe, to execute, deliver to the other parties thereto and file (if necessary) the Transaction Documents in substantially the draft forms presented to the Council at this meeting; provided, that any Authorized Official may approve on the Tribe’s behalf any further changes to the draft Transaction Documents, including material changes, and the signature of an Authorized Official on a Transaction Document shall conclusively evidence the Tribe’s approval of such changes.

**BE IT FURTHER RESOLVED**, that the Council hereby approves the following documents (each, a “Bank Document”) in substantially the draft forms presented to the Council at this meeting: (a) the Loan Agreement to be dated as of May 15, 2008, between Bank of America, N.A. (the “Bank”), and the Tribe; and (b) the Amended and Restated Security Agreement to be dated as of May 15, 2008, by the Tribe for the benefit of the Bank.

**BE IT FURTHER RESOLVED**, that the Council hereby authorizes the Authorized Officials, and each of them acting alone, on behalf of the Tribe, to execute, deliver to the other parties thereto and file (if necessary) the Bank Documents in substantially the draft forms presented to the Council at this meeting; provided, that any Authorized Official may approve on the Tribe’s behalf any further changes to the draft Bank Documents, including material changes, and the signature of an Authorized Official on a Bank Document shall conclusively evidence the Tribe’s approval of such changes.

**BE IT FURTHER RESOLVED**, that the Council hereby approves and authorizes the undertakings, agreements, consents, representations and warranties that are to be made by the Tribe in the Bonds and under the Transaction Documents and the Bank Documents, and the Tribe’s performance of its obligations under all terms and conditions of the Bonds, the Transaction Documents and the Bank Documents.

**BE IT FURTHER RESOLVED**, that the Council hereby appoints the Trustee as Trustee for the Bonds, the Placement Agent as placement agent for the Bonds and the Remarketing Agent as the initial remarketing agent for the Bonds.

**BE IT FURTHER RESOLVED**, that the Council hereby authorizes each of the Authorized Officials, on behalf of the Tribe, to execute, deliver and/or file (or cause to be delivered and/or filed) any government forms, affidavits, certificates, letters, documents, agreements and instruments that such Authorized Official determines to be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein or in the Transaction Documents or the Bond Documents.

**BE IT FURTHER RESOLVED**, that the Council hereby authorizes attorney members of the Squaxin Island Legal Department to deliver such opinions that any Authorized Official determines to be necessary or desirable to give effect to this resolution and to consummate the transactions contemplated herein or in the Transaction Documents or the Bond Documents.

**BE IT FURTHER RESOLVED**, that the Council hereby authorizes the Authorized Officials, and each of them acting alone, on behalf of the Tribe, to enter into and to execute, deliver to the other parties thereto and file (if necessary) documents relating to any interest rate swap transaction relating to the Transaction Documents or the Bond Documents.

**BE IT FURTHER RESOLVED**, that the Council hereby authorizes and approves the Blanket Letter of Representations and confirms the terms thereof as being applicable to the Bonds.

**BE IT FURTHER RESOLVED**, that the Council hereby approves and authorizes the application of the governing law selected in the Transaction Documents and the Bank Documents to govern the construction, interpretation and enforcement of the Bonds, the Transaction Documents and the Bank Documents.

**BE IT FURTHER RESOLVED**, that the Council hereby covenants to take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes; covenants not to take any action or make or permit any use of proceeds of the Bonds or other funds of the Tribe treated as proceeds of the Bonds at any time during the term of the Bonds that would cause interest on the Bonds to be included in gross income for federal income tax purposes; and covenants to take all actions necessary to comply (or to be treated as having complied) with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") in connection with the Bonds, including the calculation and payment of rebatable arbitrage and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

**BE IT FURTHER RESOLVED**, that as an inducement to the Trustee, the Bondowners and the other parties to the Transaction Documents and the Bank Documents (collectively, the "Benefited Parties"), to make the agreements with the Tribe that are contained in the Transaction Documents and the Bank Documents to which they are parties, for the benefit of the Benefited Parties, for so long as any money is owed by the Tribe to any of the Benefited Parties, and for so long as any security interest granted by the Tribe to or for the benefit of any of the Benefited Parties continues in effect, the Council and the Tribe hereby:

- (a) Expressly, unequivocally, and irrevocably waive the Tribe's sovereign immunity and consent to the jurisdiction of the courts as provided in the Transaction Documents and the Bank Documents, with respect to the enforcement of the Bonds, the Transaction Documents and the Bank Documents by any of the Benefited Parties against the Tribe only to the extent of the limited waivers of sovereign immunity (such waivers to be limited to the collateral described in the Security Agreement) and consents to the jurisdictions of the courts set forth in the Transaction Documents and the Bank Documents.
- (b) To the extent to which the Tribe has waived its sovereign immunity in any Transaction Document or Bank Document with respect to particular claims concerning the construction or enforcement of the Bonds or such Transaction Document or Bank Document, irrevocably agree with the Benefited Parties, and resolve, that the Squaxin Island Tribal Court will continue to have civil jurisdiction under Tribal law over such claims, and to compel arbitration of such claims, to enter judgment upon an arbitration award, and otherwise concerning arbitration.
- (c) Expressly, unequivocally and irrevocably waive and limit the Tribe's sovereign authority to limit, withdraw or repeal such waiver of sovereign immunity or the civil jurisdiction of the Squaxin Island Tribal Court, or to repeal, amend or modify any of the provisions of the Bonds, the Transaction Documents or the Bank Documents in a manner that impairs or interferes, or could impair or interfere, in any manner, with any right or remedy of any of the Benefited Parties against the Tribe under the Transaction Documents or Bank Documents, or the ability of any of the Benefited Parties to enforce the any of the same.
- (d) Expressly, unequivocally, and irrevocably waive and limit the Tribe's sovereign authority to repeal, or modify in a manner adverse to the any of the Benefited Parties the provisions of Tribal law that reciprocally provide for recognition and implementation by the Squaxin Island Tribal Court of orders, judgments and decrees of the Superior Courts of the State of Washington, so that the recognition, implementation and enforcement of judgments of Superior Courts of the State of Washington by the Squaxin Island Tribal Court continues for so long as any money is owed to any of the Benefited Parties under the Transaction Documents or the Bank Documents or pursuant to any indebtedness of the Tribe secured by any of the same, or any loan or credit agreement between the Tribe and any of the Benefited Parties remains unpaid.
- (e) Irrevocably commit to and agree with the Benefited Parties, and resolve that the Tribe shall continue to maintain and fund the Squaxin Island Tribal Court system so that the jurisdiction of the Squaxin Island Tribal Court mentioned above may continue to be effectively exercised.

- (f) Irrevocably commit to and agree with the Benefited Parties, and irrevocably resolve, that the Tribe will not modify Tribal law, or the interpretations thereof set forth below, in a manner that impairs or is adverse to any of the Benefited Parties' ability to enforce any of the provisions of the Bonds, the Transaction Documents or the Bank Documents or any security interest granted thereunder or to enforce any judgment entered in connection therewith; and irrevocably waive and limit the Tribe's sovereign authority to do so.

It is the intent of the Council and the Tribe that the irrevocable limitations imposed upon the Tribe's sovereign authority, and the irrevocable waivers of the Tribe's sovereign immunity, and the Tribe's irrevocable consents to jurisdiction, provided for in the provisions of this resolution, the Transaction Documents and the Bank Documents shall be construed and shall operate as unmistakable surrenders of the Tribe's sovereign authority to revoke or unilaterally amend or modify any of such limitations, waivers or consents. The Council and the Tribe hereby make such irrevocable surrenders.

**BE IT FURTHER RESOLVED**, that the Council hereby certifies and adopts the following interpretations of the laws of the Tribe that, under Tribal law, including the Tribe's Constitution and Bylaws:

- (a) On behalf of the Tribe, the Council has authority to adopt and enact this resolution and the provisions hereof, and to irrevocably bind the Tribe to the provisions hereof, the irrevocable surrenders of sovereign authority made herein, and those made in the Transaction Documents and the Bank Documents, and the provisions of the same.
- (b) The Council has authority to waive, and authorize the waiver of, the Tribe's sovereign immunity, as authorized herein.
- (c) The General Council's review authority under Article XI of the Tribe's Constitution and Bylaws includes the authority to repeal actions of the Council as of the date of such repeal, but any such repeal would be prospective only in effect and would not impair or repeal the Tribe's previously made contractual obligations authorized by the Council, nor impair or interfere with the ability of any of the Benefited Parties to enforce the Bonds, the Transaction Documents and the Bank Documents.

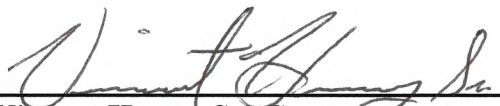
**BE IT FURTHER RESOLVED**, that the Council hereby ratifies and confirms any actions of the Tribe, the Authorized Officials and the Tribe's officers prior to the date hereof and consistent with the terms of this resolution.

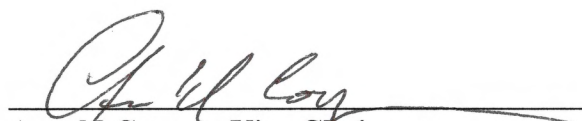
**BE IT FURTHER RESOLVED**, that this Resolution shall be in full force and effect from and after its adoption.

**CERTIFICATION**

The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 25 day of April, 2008, at which time a quorum was present and was passed by a vote of 6 for and 0 against, with 0 abstentions.

  
James L. Peters, Chairman

Attested by:   
Vincent Henry, Sr., Secretary

  
Arnold Cooper, Vice Chairman