

**BOARD OF DIRECTORS SPECIAL MEETING
KEWADIN CASINO AND CONVENTION CENTER
SAULT STE. MARIE, MICHIGAN
MINUTES
December 21, 2015**

The meeting was opened at 5:09 p.m. by Chairperson Payment.

Present: Dennis McKelvie, Kim Gravelle, DJ Hoffman, Jennifer McLeod, Lana Causley, Catherine Hollowell, Keith Massaway, Bridgett Sorenson, Denise Chase, Rita Glyptis, and Aaron Payment.

Absent: Cathy Abramson, Darcy Morrow.

Moved by Director Sorenson, supported by Director McLeod, to approve the agenda as read.

Motion carried unanimously.

Moved by Director Glyptis, supported by Director Sorenson, to excuse Director Morrow from the meeting.

Motion carried with Directors McLeod, McKelvie opposing.

Moved by Director Hoffman, supported by Director Massaway, to excuse Director Abramson from the meeting.

Motion denied with Directors Sorenson, Causley, Glyptis, Gravelle, Hollowell, McLeod, McKelvie opposing.

Moved by Director Massaway, supported by Director Hoffman, to approve Res. 2015-265, Amending Letter of Credit Expiration Date Limited Waiver of Sovereign Immunity and Consent to Waiver of Tribal Court Jurisdiction Credit Agreement with PNC Bank, National Association Authorization to Enter Into Agreements.

BE IT RESOLVED, by the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians, as follows:

- Section 1 FINDINGS AND DETERMINATIONS: The Board of Directors finds and determines that:
- 1.1 The Sault Ste. Marie Tribe of Chippewa Indians ("Tribe") is a federally recognized Indian Tribal Government organized under the provisions of the Indian Reorganization Act of 1934.
 - 1.2 The Tribe currently has a "Letter of Credit" in the amount of \$2,102,049.00 with PNC Bank, N.A. ("Bank") to satisfy the security requirement of the Michigan Employment Security Act for the Sault Tribe Self-funded Unemployment Program. The expiration date on this Line of Credit is currently August 31, 2016.
 - 1.3 The Tribe wishes to amend this Letter of Credit:
 - (i) to amend the expiration date of the Letter of Credit to December 31, 2017; and
 - (ii) to authorize further extensions of this Letter of Credit Agreement, without additional action of this Board, for subsequent two year terms
 - 1.4 Bank will not consent to such amendment without a limited waiver of sovereign immunity or waiver of Tribal Court jurisdiction.

1.5 In order to induce the Bank to enter into the Amended Letter of Credit, the Tribe is required to confirm that the Tribe and all other entities claiming by, through or under the Tribe will not claim tribal immunity or exclusive Tribal Court jurisdiction with respect to any disputes or causes of action between the Tribe and the Bank that might arise from, or relate to, in any respect, the Letter of Credit, the Amendment to Reimbursement and Security Agreement, the Pledge Agreement, or the Notification and Control Agreement. All of the foregoing are referred to herein as the "Waiver and Consent Obligations."

1.6 It is in the Tribe's interest to resolve as stated herein.

Section 2

LIMITED WAIVER OF SOVEREIGN IMMUNITY; CONSENT TO JURISDICTION;
GOVERNING LAW.

2.1 The Tribe hereby waives its sovereign immunity from suit in favor of Bank only should an action be commenced under the Bank contract referenced above.

This waiver:

- i) shall terminate upon performance by the Tribe of all of its obligations under the Letter of Credit, the Amendment to Reimbursement and Security Agreement, the Pledge Agreement, or the Notification and Control Agreement or any subsequent extensions of the Letter of Credit, the Amendment to Reimbursement and Security Agreement, the Pledge Agreement, or the Notification and Control Agreement;
- (ii) is granted solely to the Bank;
- (iii) shall extend to inter alia, any judicial or non-judicial action, including, but not limited to, any lawsuit, arbitration, and judicial or non-judicial action to resolve disputes between the Tribe and Bank and the assertion of any claim in a court of competent jurisdiction or with any arbitrator or arbitration panel to enforce the obligations under the Letter of Credit, the Amendment to Reimbursement and Security Agreement, the Pledge Agreement, or the Notification and Control Agreement;
- (iv) shall be enforceable only in a court of competent jurisdiction, including courts of the State of Michigan, the Tribal Court, and federal courts in Michigan (including the United States Bankruptcy Court) or any arbitrator or arbitration panel.

Section 3

WAIVER OF TRIBAL COURT JURISDICTION

3.1 The Board of Directors waives the exclusive jurisdiction of the Tribal Court over any action arising under the Letter of Credit, the Amendment to Reimbursement and Security Agreement, the Pledge Agreement, or the Notification and Control Agreement.

Section 4

AUTHORIZATION

4.1 The Board of Directors of the Tribe hereby authorizes the Chairperson, the Treasurer, the Chief Financial Officer of the Tribe, and each of their designees, to each act to execute the necessary documents to effectuate this transaction and subsequent extensions of the expiration date, as needed, including, but not limited to the Letter of Credit, the Amendment to Reimbursement and Security Agreement, the Pledge Agreement, the Notification and Control Agreement.

Roll Call Vote: Motion carried unanimously.

Moved by Director Hoffman, supported by Director Chase, to approve Res. 2015-266, Tribal Operations and Land Claims FY 2015 Budget Modifications.

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2015 budget modifications for Tribal Operations and Land Claims for the transfer of \$1,831,100.24 from Tribal Operations to Land Claims.

Roll Call Vote: Motion carried with Directors McKelvie, McLeod, Sorenson, Glyptis, Chase, Hoffman, Gravelle, Massaway approving; Directors Hollowell, Causley opposing.

Moved by Director Hoffman, supported by Director Chase, to adjourn the meeting.

Motion carried with Director McKelvie opposing; Director Sorenson abstaining.

Meeting adjourned: 5:17p.m.

Date: 1-5-16

Secretary: Bridgett Sorenson

Others present: John Wernet, Bill Connolly, Jess Dumback, Russ McKerchie, Joanne Carr.