

**BOARD OF DIRECTORS REGULAR MEETING
KEWADIN CASINO AND CONVENTION CENTER
SAULT STE. MARIE, MICHIGAN
MINUTES
MARCH 13, 2012**

The meeting was opened at 6:10 p.m. by Chairman Eitrem.

Present: Cathy Abramson, Debra Pine, DJ Malloy, Lana Causley, Catherine Hollowell, Keith Massaway, Pat Rickley, Denise Chase, Tom Miller, Joan Anderson, Joe Eitrem.

Absent: Bernard Bouschor.

Moved by Director Massaway, supported by Director Pine, to excuse Director Bouschor.

Motion carried unanimously.

Moved by Director Miller, supported by Director Massaway, to approve the agenda as written.

Motion carried unanimously.

Moved by Director Rickley, supported by Director Massaway, to approve Res. 2012-43, National Indian Gaming Association.

NOW, THEREFORE, BE IT RESOLVED, that the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes the payment of dues for NIGA membership of \$15,000.

BE IT FURTHER RESOLVED, that the Board of Directors hereby appoints the following as the Tribe's representative to NIGA - Joe V. Eitrem; as Alternates - Keith Massaway, Tom Miller, Debra Pine, Kenneth J. Ermatinger, Tony Goetz.

Motion carried with Director Hollowell abstaining.

Moved by Director Causley, supported by Director Massaway, to suspend the rules and add the issues of the referendum and committee appointments and resignations.

Motion carried unanimously.

Moved by Director Malloy, supported by Director Chase, to suspend the rules and add the issue of the newspaper policy changes.

Roll Call Vote: Motion carried with Directors Abramson, Anderson, Malloy, Chase, Miller approving, Directors Rickley, Pine, Massaway, Causley opposing, Director Hollowell abstaining.

Moved by Director Massaway, supported by Director Causley, to approve Res. 2012-44, Coordinated Tribal Assistance Solicitation.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste Marie Tribe of Chippewa Indians hereby authorizes application to the Coordinated Tribal Assistance Solicitation for FY 2012.

BE IT FURTHER, RESOLVED, that Joe V. Eitrem, Tribal Chairman, or designee is hereby authorized to submit said proposal to the Department of Justice, to negotiate, execute, and amend any documents resulting there from on the Tribe's behalf.

Motion carried unanimously.

Moved by Director Hollowell, supported by Director Causley, to approve Res. 2012-45, Authorization for Signature Bureau of Indian Affairs Self Governance Annual Funding Agreements.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes Joe V. Eitrem, Chairman or designee, to sign, negotiate, amend, and execute any agreement thereof for the Bureau of Indian Affairs Self Governance Program, and Indian Reservation Roads.

Motion carried unanimously.

Moved by Director Rickley, supported by Director Hollowell, to approve Res. 2012-46, Approval to Enter into a Cost Share Contract with USDA-NRCS for Construction of a Second Walleye Aquaculture Pond on Tribal Land.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors supports entering into a cost share agreement with USDA-NRCS for the construction of a new 5-acre fish culture pond on tribal land, and authorizes the Chairman to sign the pertinent contracts with USDA-NRCS and the selected construction entities.

Motion carried unanimously.

Moved by Director Chase, supported by Director Causley, to approve Res. 2012-47, Family Violence Prevention and Services Program.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes application to the Family and Youth Services Bureau for funding of a Family Violence Prevention and Services Program for FY 2012.

BE IT FURTHER RESOLVED, that Joe V. Eitrem, Tribal Chairman, is hereby authorized to submit said proposal to the Family and Youth Services Bureau, to negotiate, execute, and amend any documents resulting therefrom on the Tribe's behalf.

Motion carried unanimously.

Moved by Director Causley, supported by Director Rickley, to approve Res. 2012-48, Transitional Housing Assistance Grants for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault Program.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes application to the Office on Violence Against Women for funding of Transitional Housing Assistance Grants for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault Program for FY 2012.

BE IT FURTHER RESOLVED, that Joe V. Eitrem, Tribal Chairman, is hereby authorized to submit said proposal to the Department of Justice, Office on Violence Against Women, to negotiate, execute, and amend any documents resulting therefrom on the Tribe's behalf.

Motion carried unanimously.

Moved by Director Rickley, supported by Director Malloy, to approve Res. 2012-49, FY 2012-2015 Sault Ste. Marie Tribe of Chippewa Indians Tribal Transportation Improvement Plan (TTIP).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians supports and adopts the 2012-2015 Sault Ste. Marie Tribe of Chippewa Indians Tribal Transportation Improvement Plan for the projects listed in the attached CSTIP forms that were developed between us and the BIA for Tribal Shares funding.

BE IT FURTHER RESOLVED, that the Chairman or his designee, is authorized and directed to execute and deliver such agreements, documents, or instruments to the Bureau of Indian Affairs (BIA) as may be required or to take any and all such action which may be necessary to implement the foregoing and update the Tribal Long Range Transportation Plan approved by Resolution No: _____.

Motion carried unanimously.

Moved by Director Rickley, supported by Director Pine, to approve Res. 2012-50, JKL School Transfer of Buildings from BIA to Tribe.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby requests that the Bureau of Indian Affairs, Department of Interior, transfer all JKL School buildings from the BIA fixed asset rolls to the Tribe's direct ownership.

BE IT FURTHER RESOLVED that the Board of Directors hereby directs the land management and legal departments to work with the BIA and to take all such necessary steps to arrange for the complete transfer of these buildings to the Tribe.

Motion carried unanimously.

Moved by Director Causley, supported by Director Rickley, to approve Res. 2012-51, Amending Discipline Policy.

NOW, THEREFORE, BE IT RESOLVED, that the BOD hereby enacts the proposed revision to the Governmental Discipline Policy, as attached, beginning on March 13, 2012.

BE IT FURTHER RESOLVED, that the BOD hereby enacts the proposed revision to the Casino Discipline Policy, as attached, beginning on March 13, 2012.

BE IT FURTHER RESOLVED, that the BOD hereby enacts the proposed revision to the Enterprise Discipline Policy, as attached, beginning on March 13, 2012.

Motion carried unanimously.

Moved by Director Massaway, supported by Director Rickley, to approve Res. 2012-52, Amending Company Vehicle Policy.

NOW, THEREFORE, BE IT RESOLVED, that the BOD hereby enacts the proposed revision to the Governmental Company Vehicle Policy, as attached, beginning on March 13, 2012.

BE IT FURTHER RESOLVED, that the BOD hereby enacts the proposed revision to the Casino Company Vehicle Policy, as attached, beginning on March 13, 2012.

BE IT FURTHER RESOLVED, that the BOD hereby enacts the proposed revision to the Enterprise Company Vehicle Policy, as attached, beginning on March 13, 2012.

Motion carried unanimously.

Moved by Director Rickley, supported by Director Hollowell, to approve Res. 2012-53, Amending Holiday Policy.

NOW, THEREFORE, BE IT RESOLVED, that the BOD hereby enacts the proposed revision to the Governmental Holiday Policy, as attached, beginning on March 13, 2012.

BE IT FURTHER RESOLVED, that the BOD hereby enacts the proposed revision to the Casino Holiday Policy, as attached, beginning on March 13, 2012.

BE IT FURTHER RESOLVED, that the BOD hereby enacts the proposed revision to the Enterprise Holiday Policy, as attached, beginning on March 13, 2012.

Motion carried unanimously.

Moved by Director Rickley, supported by Director Massaway, to approve Res. 2012-54, Approval and Authorization of 3rd Amendment to PNC Bank Financing.

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

Section 1 Findings

1.1 The Sault Ste. Marie Tribe of Chippewa Indians (the "Tribe") is a federally recognized Indian Tribal Government organized under the provisions of the Indian Reorganization Act of 1934.

1.2 Kewadin Casinos Gaming Authority (the "Authority") is an autonomous instrumentality of the Tribe.

1.3 The Authority is the borrower under a Loan Agreement ("Loan Agreement") among the Authority, the Tribe, PNC Bank as Administrative Agent, and the Lenders party from time to time thereto (the "Lenders") as amended (the "Financing"). The Authority has entered into certain other documents in respect of the Financing (the Loan Agreement and other documents are the "Authority Loan Documents").

1.4 The Tribe is a party to the Loan Agreement with respect to certain representations, warranties and covenants. The Tribe has entered into certain other documents in respect of the Financing (the Loan Agreement and other documents are the "Tribe Loan Documents") evidencing its obligations ("Tribe Obligations").

1.5 The Tribe and Authority have entered into agreements with developers for the purpose of building and operating new gaming ventures in Lansing, New Boston and Romulus, Michigan (collectively, the "Development Agreements").

1.6 As a result of entering into the Development Agreements for new gaming ventures, the Tribe and Authority must request amendment of the Authority Loan Documents (a current draft of which is attached hereto as Exhibit A (the "Amendment")) and execute and deliver an intercreditor agreement in connection with each of the Development Agreements

1.7 It is a condition to the Financing and the Amendment that the Tribe waive the jurisdiction of the Tribal Court in connection with the Financing, except to the extent that the Tribe Loan Documents or the Authority Loan Documents, as amended, may provide for limited jurisdiction for enforcement of an arbitration award under Chapter 95 of the Tribal Code, and the Board of Directors has determined that it is in the best interests of the Tribe that the Financing be amended on substantially the terms set forth in the Amendment and the Tribe and the Authority waive the jurisdiction of the Tribal Court in connection therewith.

Section 2 Approvals and Authorization

2.1 The Board of Directors authorizes and directs the Tribe, through its Chairman, on such conditions and terms as he deems fit, to enter into Amendment and the Intercreditor Agreements on such terms as he may agree upon, which approval shall be conclusively presumed by execution and delivery of the Amendment by the Chairman, and to perform its obligations thereunder. On the effective date of the Amendment and the Intercreditor Agreements, such documents shall be Tribe Loan Documents and Authority Loan Documents as defined herein.

2.2 The Chairman is authorized and directed to execute and deliver such other certificates, documents, or instruments, as may be required or to take any and all such action which may be necessary or convenient to effectuate the Amendment.

Section 3 Waiver of Sovereign Immunity and Consent to Jurisdiction.

3.1 The Tribe hereby expressly confirms its waiver under the Tribe Loan Documents and waives its sovereign immunity from suit should an action be commenced on the Tribe Obligations, as amended by the Amendment.

This waiver:

- i) shall terminate upon performance by the Tribe of all of its obligations under the Tribe Loan Documents, as amended by the Amendment;
- ii) is granted solely to the Administrative Agent and the Lenders;
- iii) shall extend to inter alia, any judicial or non judicial proceeding or action, including, but not limited to, any lawsuit, arbitration, judicial or non judicial foreclosure proceeding, any judicial or non-judicial action to enforce the rights of the Administrative Agent as a secured creditor, and the assertion of any claim in a court of competent jurisdiction or with any arbitrator or arbitration panel to enforce the obligations of the Tribe under the Tribe Loan Documents, as amended by the Amendment;
- iv) shall be enforceable against all assets and property of the Tribe to the extent sufficient to satisfy the Tribe's obligations under the Tribe Loan Documents, as amended by the Amendment;
- v) shall be enforceable only in a court of competent jurisdiction, including courts of the State of Michigan, the Sault Ste. Marie Tribal Court, and the federal courts in Michigan (including the United States Bankruptcy Court), or any arbitrator or arbitration panel;
- vi) the governing law shall be as set forth in Section 3.2.

3.2 The Tribe Loan Documents, as amended by the Amendment, shall be construed in accordance with and governed by the internal laws of the State of Michigan; except that matters concerning the validity and perfection of a security interest shall be governed by the conflict of law rules set forth in the Michigan Uniform Commercial Code. The Tribe expressly submits to and consents to the jurisdiction of the courts of the State of Michigan and the federal courts in Michigan, including any courts to which decisions may be appealed, with respect to any dispute or controversy arising out of the Tribe Loan Documents and the Amendment, or to any transactions in connection therewith.

Section 4 Waiver of Tribal Court Jurisdiction

The Board of Directors expressly confirms its waiver under the Tribe Loan Documents, and waives jurisdiction of the Tribal Court over any action arising under the Tribe Loan Documents and the Authority Loan Documents identified in Authority Resolution 2007-05, as amended by the Amendment, pursuant to the provisions of Chapter 44.108, except to the extent that the Tribe Loan Documents or the Authority Loan Documents, as amended by the Amendment, may provide for limited jurisdiction for enforcement of an arbitration award under Chapter 95 of the Tribal Code.

Roll Call Vote: Motion carried with Directors Massaway, Pine, Anderson, Abramson, Malloy, Chase, Miller, Rickley approving, Directors Hollowell, Causley opposing.

Moved by Director Massaway, supported by Director Rickley, to accept the recommendations of the Special Needs/Enrollment Committee and disenroll Carissa McKerchie.

Motion carried with Directors Abramson and Pine opposing.

Moved by Director Massaway, supported by Director Rickley, to accept the recommendations of the Special Needs/Enrollment Committee and disenroll Hilary McKerchie.

Motion carried with Director Abramson opposing, Director Pine abstaining.

Moved by Director Massaway, supported by Director Rickley, to accept the recommendations of the Special Needs/Enrollment Committee and disenroll Lee Aube (deceased).

Motion carried with Director Pine abstaining.

Moved by Director Causley, supported by Director Massaway, to accept the recommendations of the Special Needs/Enrollment Committee and relinquish Donald J. Muma from the Tribe.

Motion carried unanimously.

Moved by Director Chase, supported by Director Causley, to appoint Robert Menard to the Unit Five Marquette Elder Sub-Committee, 4 year term, expiring March 2016.

Motion carried with Director Rickley opposing.

Moved by Director Hollowell, supported by Director Causley, to remove Dalinda Brissette from the Unit Two Hessel Elder Sub-Committee and declare the seat vacant.

Motion carried unanimously.

Moved by Director Hollowell, supported by Director Rickley, to accept the resignation of Kenneth J. Ermatinger from the Health Committee.

Motion carried with Director Massaway opposing.

Note: Director Abramson, Tribal Secretary, concurred with the referendum findings, the referendum on Res. 2012-11 will go to the people for a vote.

Moved by Director Malloy, supported by Director Chase, to revert back to the policy of the newspaper on tribal elections before the 3-8-2012 date.

Roll Call Vote: Motion denied with Directors Anderson, Malloy, Chase, Miller approving, Directors Rickley, Hollowell, Massaway, Causley opposing, Directors Pine, Abramson abstaining. The vote resulted in a tie vote, Chairman Eitrem then voted to oppose, breaking the tie vote.

Nominated by Director Miller - DJ Hoffman – nomination denied, Directors Anderson, Abramson, Malloy, Causley, Miller approving, Director Hollowell, Pine opposing, Directors Massaway, Chase, Rickley abstaining.

Nominated by Director Bouschor – Judy LaJoice – nomination denied, Directors Pine, Hollowell, Massaway approving, Director Miller opposing, Directors Rickley, Abramson, Anderson, Massaway, Malloy, Chase abstaining.

Nominated by Director Chase – Christine McPherson – nomination denied, Director Chase approving, Director Miller opposing, Directors Hollowell, Rickley, Abramson, Anderson, Malloy, Pine, Massaway, Causley abstaining.

Moved by Director Miller, supported by Director Rickley, to adjourn the meeting.

Roll Call Vote: Motion carried unanimously.

Meeting adjourned: 7:17 p.m.

Date: 6-12-12 Secretary: Cathy Abramson

Others present: Vic Matson, Bill Connolly, John Wernet, Kristi Harwood-Causley, Rich Rand, Tony Goetz, Tara Benoit, Cheri Goetz, Bonnie Culfa, Michael McKerchie, Aaron Schlehuber, Ken Ermatinger, Sherri Wallis, Lori Jump, Carol Eavou, Joanne Carr.