

TRIBAL CODE

CHAPTER 93

SAULT TRIBE ENTERPRISE AUTHORITY CHARTER

93.101 Creation of Tribal Enterprise Authority 3

93.102 Purpose..... 3

93.103 Name and Principal Place of Business. 3

93.104 Findings and Declarations..... 3

93.105 Definitions..... 4

93.106 Establishment of Authority..... 4

93.107 Relation to the Tribe..... 5

93.108 Management of the Authority..... 5

93.109 Operation of the Authority..... 6

93.110 Perpetual Succession..... 6

93.111 Assets of the Authority. 6

93.112 Ability To Sue and Be Sued..... 6

93.113 Powers of Authority..... 6

93.114 Obligations..... 8

93.115 Reports to the Board..... 11

93.116 Finances and Accounting..... 12

93.117 Indemnification of Officers, Employees and Board Members of the Authority 13

93.118 Personal Interest 13

93.119 Bond 14

93.120 Judgment Proof Property..... 14

HISTORY NOTE:

Current Ordinance:

Resolution 2025-184, adopted August 5, 2025, adopts Tribal Code Chapter 93: Sault Tribe Enterprise Authority Charter, effective August 5, 2025.

Amendments:

Resolution 2026-109, adopted April 7, 2026, clarified the original intent in adopting Tribal Code Chapter 93: Enterprise Authority Charter was to create a legally distinct economic arm of the tribe to carry out economic functions fully separate and distinct from the tribal government's affairs.

TRIBAL CODE

CHAPTER 93

SAULT TRIBE ENTERPRISE AUTHORITY CHARTER

93.101 Creation of Tribal Enterprise Authority

This Chapter creates the Sault Ste. Marie Tribe Enterprise Authority, to be known as the Sault Tribe Enterprise Authority (“the Authority”). The Authority shall constitute an economic arm of the Tribe, separate and distinct from the Tribe. The Authority shall be legally separate and distinct with its own governing structure but shall enjoy the sovereign immunity of the Tribe, to the same extent as the Tribe. This Chapter shall be known as the Sault Tribe Enterprise Authority Charter (“the Charter”).

93.102 Purpose.

The purpose of this chapter to charter the Authority to house the Tribe’s existing and future non-gaming business entities within an unincorporated tribal entity that is separate and distinct from the Tribal government so that the business entities may operate in an environment that is properly suited for business operations as opposed to governmental operations. The Tribe intends that the Authority shall assume all obligations, responsibilities and duties of the Tribe as to its existing and future non-gaming business entities.

93.103 Name and Principal Place of Business.

The name of the Authority is the Sault Tribe Enterprise Authority “Sault Wegashkenich Nookomis” with a principal place of business at Sault Ste. Marie, Michigan.

93.104 Findings and Declarations.

The Board of Directors finds:

(1) The Board of Directors is the governing body of the Tribe and is vested in the Constitution at Article VII, Sec 1, subsections (d) and (m), with the power to manage all economic affairs of the Tribe and is vested at Article VII(n) to establish an entity to be charged with carrying out any power vested in the Board of Directors.

(2) The Board of Directors finds that the Tribe needs economic development and diversification to fund governmental programs and provide livelihoods to its members. The Tribe acknowledges that governmental ownership of business entities can have a negative impact on performance and seeks to:

- (a) develop its resources in a manner that maximizes long-term value for the tribe;

(b) establish an environment within which the tribe's non-gaming business entities can operate free of the burdens of governmental operational practices;

(c) insulate business leadership from day-to-day involvement of elected leadership;

(d) hold business leadership accountable for the economic performance of the business entities placed in their charge.

(e) create an environment where business leadership and team members can grow in their capabilities without fear of over burdensome oversight.

93.105 Definitions.

(1) "Authority" when capitalized means the Sault Ste. Marie Tribal Enterprise Authority, created by this Charter.

(2) "Board of Directors" means the Board of Directors of the Tribe, the Tribe's governing body duly elected pursuant to the Tribal Constitution.

(3) "Business Board" means the Business Board of the Authority created by this Charter.

(4) "Business entities" means all non-gaming economic developments owned by the Tribe.

(5) "Fee land" means all lands owned by the Tribe that are not held in trust for the Tribe by the United States.

(6) "Reservation" means all lands held in trust for the Tribe by the United States

(7) "Tribal Entity" under this Chapter 93 shall mean any entity created or owned by the Tribe for economic purposes and any entity which is controlled by the Board of Directors.

(8) "Tribal Land" means the reservation, trust lands, tribal property owned by the tribal jurisdiction, and other commonly known tribal lands within the primary jurisdiction in fee or trust regardless of location.

(9) "Tribe" means the Sault Ste. Marie Tribe of Chippewa Indians

93.106 Establishment of Authority.

(1) The Authority is hereby established under this Charter as a wholly owned economic arm of the Tribe which shall be managed by the Business Board, subject to the terms and limitations set forth in this Charter.

(2) To the extent feasible the Authority's principal place of business shall be on trust land first and fee land second.

(3) The Authority may conduct business anyplace in the world.

(4) As a wholly owned economic arm of the Tribe, the Authority and its assets and activities shall have all of the privileges and immunities of the Tribe, subject to the limitations set forth in this Charter and applicable law, including immunity from taxation, regulation and unconsented suit. The Authority shall conduct all for profit non-gaming business activity with gaming activity defined at Tribal Code Chapter 94: Gaming Authority Charter, at Section 94.106(4)

(5) All rights, powers or privileges not expressly delegated herein to the Authority shall be reserved and held by the Board of Directors in addition to the reservation of authority found in the Constitution at Article VII, Sec 1, subsection (n).

93.107 Relation to the Tribe.

(1) The Authority is a subordinate organization to the Board of Directors established pursuant to the Constitution at Article VII, Sec 1, subsection (n) as wholly owned economic arm of the Tribe but enjoys autonomous existence.

93.108 Management of the Authority.

(1) There is hereby established a Business Board of the Authority the purpose of which is to carry out the duties and powers of the Authority as set forth in this Charter.

(2) The Business Board shall consist of all of the members of the Board of Director and the Chairperson of the Board of Directors. No member of the Business Board shall continue to be a member thereof after he or she ceases to be a member of the Board of Directors. Any member of the Board of Directors who wishes to opt out of serving on the Business Board can do so by submitting such intent in writing to the Board Administrator. Any such opt-out shall remain in place for the duration of that member's duration on the Board of Directors unless the opt-out is rescinded in writing to the Board Administrator.

(3) The Chairperson of the Board of Directors shall also serve as the Chairperson of the Business Board.

(3) No member of the Business Board shall be liable to any creditor of the Authority by reason of his or her status as a member or by reason of acts done in the course of their official duties.

93.109 Operation of the Authority.

(1) The Authority shall conduct its business in accordance with Tribal Code Chapter 14: Rules of Parliamentary Procedure.

(2) The Business Board shall meet as often as is necessary to conduct business but no less frequently than quarterly. A majority of the members of the Business Board shall constitute a quorum, but no action shall be taken by a vote of less than a majority of the members. The Business Board shall keep complete and accurate records of all meetings and actions taken.

(3) The Business Board shall keep full and accurate records, make periodic reports to the Board of Directors, and submit a complete and annual report, in written form, to the Board of Directors as required by this Charter.

93.110 Perpetual Succession.

The Authority shall have perpetual succession in its corporate name.

93.111 Assets of the Authority.

(1) The Authority shall have those assets of the Tribe formally assigned or leased to it by the Tribe or a Tribal Entity, together with whatever assets it acquires by other means as provided in this Charter.

(2) No activity of the Authority nor any indebtedness incurred by it shall encumber, implicate or in any way involve assets of the Tribe or a Tribal Entity not assigned or leased in writing to the Authority.

93.112 Ability To Sue and Be Sued.

(1) The Board of Directors hereby gives its irrevocable consent to allowing the Authority, by resolution duly adopted by the Business Board, to sue and sued in its corporate name, upon, or to submit to arbitration or alternative dispute resolution any controversy arising under any contract, claim or obligation arising out of its activities under this Charter and hereby authorizes the Authority, by resolution duly adopted by the Business Board, in conformity with Tribal Code Chapter 44: Waiver of Tribal Immunities and Jurisdiction in Commercial Transactions, to contract to waive its immunity from suit; but the Tribe shall not be liable for the or obligations of the Authority, and the Authority shall have no power to pledge or encumber the assets of the Tribe.

(2) This Charter, or any waiver issued hereunder, shall be strictly construed to not waive the immunity of the Tribe or other Tribal Entity.

93.113 Powers of Authority.

1) It is the purpose and intent of this Charter to authorize the Authority to do any and all things necessary or desirable in connection with the financing, development, construction, ownership, lease, operation, management, maintenance and promotion of the Authority's business entities.

2) All business entities shall be operated by the Authority to generate profit. A governmental or membership service that could be operated as a business entity may be operated by the Tribe as a governmental or membership service with no regard for generating revenue.

3) Subject to the limitation set forth in this Charter the Business Board shall manage and have complete control over the conduct of Authority affairs and shall have full power to act for and bind the Authority. Such authority shall be exercised pursuant to the bylaws of the Authority and where appropriate, by duly adopted resolution.

4) Subject to the limitations set forth in this Charter, the Authority, by and through the Business Board acting on behalf of the Authority, shall have the following powers which it may exercise consistent with the purposes for which the Authority was established:

(a) Receive, collect and own all revenues and pay all expenses and expenditures arising from or relating to its business activity;

(b) Purchase, take, receive, lease, obtain, by gift or bequest, or otherwise acquire, own, hold, improve, or use real or personal property, or any interest therein, wherever situated;

(c) Sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of or encumber all or any part of the business entities property and assets;

(d) Purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, loan, pledge, or otherwise dispose of, and otherwise use and deal in with, shares or other interests in, or obligations of, corporations, associations, partnerships or other entities, or individuals, or direct or indirect obligations of the United States or any other government, tribe, state, territory, governmental district or municipality, or of any instrumentality, thereof;

(e) Make and enter into contracts and incur liabilities, indebtedness and other obligations, including the issuance of guarantees, and the borrowing of money at such rates of interest as the business entities may determine, and to issue its notes, bonds, debt securities and other obligations, and secure any of such obligations by mortgage or pledge of all or any of its property, franchises, revenues and income;

(f) Employ contractors, consultants, agents, managers, advisers and accountants;

(g) Lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;

(h) Conduct its affairs, carry on its operations, hold property, and have offices and exercise the powers granted by this Charter;

(i) Develop, design, construct, equip and finance, refinance, improve or expand facilities for the conduct of its business;

(j) Hire, supervise, and terminate employees, consultants and agents of the business entities, and define their duties and fix their compensation, provided that all business entities employees shall be governed by the personnel policies of the Tribe unless and until the Board of Directors approves a business entities personnel policy;

(k) Establish and maintain polices and procedures for the day-to-day operations of the business entities;

(l) Make and amend By-Laws, not inconsistent with this Charter of the laws of the Tribe and the United States, for the administration and regulation of the affairs of the business entities;

(m) Form under tribal or state law, and own in whole or in part, subsidiaries and other entities including, but not limited to; corporations, partnerships, limited liability partnerships, and limited liability companies which shall enjoy the same privileges and immunities as the business entities, except as provided otherwise by law or under the governing documents of the subsidiary or entity;

(n) Open and maintain such deposits and securities accounts with banks, securities intermediaries and other financial institutions, whether located within or without of the State of Michigan, and to deposit therein any or all revenues of the business entities, which accounts shall be separate from other accounts of the Tribe, and no assets in the accounts of the business entities shall be commingled with the other assets of the Tribe; and

(o) To the extent not inconsistent with anything herein, to have and exercise all powers necessary to further any or all of the purposes for which the business entities is organized.

93.114 Obligations

- 1) The Authority may obtain financing and issue Obligations from time to time in its discretion for any of its purposes and may also refinance and issue refunding obligations for the purpose of paying or retiring Obligations as it may determine, including Obligations on which the principal and interest are payable:
 - a. Exclusively from the income and revenues from businesses financed with the proceeds of such Obligations, or with such income and revenues together with a grant or subsidy from the Federal, state or Tribal government in aid of such establishment or development;

- b. Exclusively from the income and revenues of businesses, whether or not they were financed in whole or in part with the proceeds of such obligations; or
- c. From its revenues generally.

Any such Obligations may be additionally secured by a pledge of any revenues of or any other property of the Authority.

- 2) Neither the members of the Business Board nor any person executing the Obligations shall be liable personally on the Obligations by reason of issuance thereof.
- 3) The Obligations of the Authority shall not be a debt of the Tribe and the Obligations shall so state on their face.
- 4) Obligations shall be issued and sold in the following manner:
 - a. Obligations of the Authority shall be authorized by a resolution adopted by the vote of a majority of all of the members of the Authority and may be issued in one or more series.
 - b. The Obligations shall bear such dates, mature at such times, bear interest at such rates, be in such denominations, be in such form, either couponed or registered, carry such conversion and registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment and at such places, and be subject to such terms of redemption, with or without premium, as such resolution may provide.
 - c. The Obligations may be sold at public or private sale at such price or prices as the authorizing resolution may provide.
 - d. In the case of members of the Business Board whose signatures appear on any of the Obligations cease to be members before the delivery of such Obligations, the signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if the members had remained in office until delivery.
- 5) Obligations of the Authority may be in negotiable form.
- 6) In connection with the issuance of Obligations and to secure the payment of such Obligations, the Authority, subject to the limitations in this Charter, may:

- a. pledge all or any part of the gross fees or revenues of the Authority to which its rights then exist or may thereafter come into existence;
- b. provide for the powers and duties of Obligees and limit their liabilities; and provide the terms and conditions on which such Obligees may enforce any covenant or rights securing or relating to the Obligations;
- c. covenant against pledging all or any part of the fees and revenues of the Authority or against mortgaging any or all of the real or personal property of the Authority to which its title or right then exists or may thereafter come into existence or permitting or suffering any lien on such revenues or property;
- d. covenant with respect to limitations on the right of the Authority to sell, lease or otherwise dispose of any Business or any part thereof;
- e. covenant as to what other or additional debts or obligations may be incurred by it;
- f. covenant as to the Obligations to be issued and as to the issuance of such Obligations in escrow or otherwise, and as to the use and disposition of the proceeds thereof;
- g. provide for the replacement of lost, destroyed or mutilated Obligations;
- h. covenant against extending time for the payment of its Obligations or interest thereon;
- i. redeem the Obligations and covenant for their redemption and provide for the terms and conditions thereof;
- j. covenant concerning any fees to be charged in the operation of a businesses, the amount to be raised each year or other period of time by such fees and other revenues, and as to the use and disposition to be made thereof;
- k. create or authorize the creation of special funds for monies held for construction, development or operating costs, debt service, reserve or other purposes, and covenant as to the use and disposition of the monies held in such funds;
- l. prescribe the procedure, if any, by which the terms of any contract with holders of Obligations may be amended or abrogated, the proportion of

outstanding Obligations the holders of which must consent thereto, and the manner in which such consent may be given;

- m. covenant as to the use, maintenance and replacement of the real and personal property of the Authority, the insurance to be carried thereon and the use and disposition of insurance proceeds;
- n. covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation;
- o. covenant and prescribe as to events of default and terms and conditions upon which any or all of its Obligations become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived;
- p. vest in any Obligees or any proportion of them the right to enforce the payment of Obligations or any covenant securing or relating to the Obligations;
- q. exercise all or a part or a combination of the powers granted in this section;
- r. make covenants other than and in addition to the covenants expressly authorized in this section, of like or different character;
- s. make any covenants and do any acts and things necessary or convenient or desirable in order to secure its Obligations, or, in the absolute discretion of the Authority, tending to make the Obligations more marketable although the covenants, acts or things are not enumerated in this section;
- t. pledge, mortgage or grant a security interest in all or any part of the assets of the Authority;
- u. waive, conditionally, or unconditionally, the sovereign immunity of the Authority, provided that, the Authority shall not have any power to waive any of the privileges or immunities of the Tribe, or to grant or purport to grant any right, lien or interest in any of the assets of the Tribe.

93.115 Reports to the Board

- 1) The Business Board shall prepare and submit to the Board of Directors within thirty (30) days after the close of each quarter a quarterly report, signed by the Chairperson, showing:
 - a. a summary of the quarter's activities;
 - b. the financial condition of the Authority and of each Business;
 - c. any significant problems and accomplishments;
 - d. plans for the following quarter; and
 - e. such other information as the Business Board or the Board of Directors deems pertinent.

- 2) The Business Board shall prepare and submit to the Board of Directors within forty-five (45) days after the close of each fiscal year an annual report, signed by the Chairperson, showing:
 - a. a summary of the year's activities;
 - b. the complete financial condition of the Authority and of each business including a detailed report outlining the operations of the Authority and of each business;
 - c. any significant problems and accomplishments;
 - d. plans for the following year; and
 - e. such other information as the Business Board or the Board of Directors deems pertinent.

93.116 Finances and Accounting

- 1) The fiscal year of the Authority shall be the fiscal year of the Tribe.

- 2) The quarters for Authority reporting purposes shall be as follows: October 1 through December 31; January 1 through March 31; April 1 through June 30; and July 1 through September 30.

- 3) The Business Board shall establish and install an accounting system (i) in conformity with accounting principles generally accepted in the business industry, and (ii) necessary and advisable, in the reasonable discretion of the Business Board, in order to manage the assets of the Authority and the business assets of the Tribe. Such accounting system shall

insure the availability of information as may be necessary to comply with Federal, State and Tribal regulatory requirements.

- 4) The accounts and records of the Authority shall be audited at the close of each fiscal year. Copies of such audit reports shall be furnished to the Board of Directors.
- 5) The books, records and property of the Authority shall be available for inspection at all reasonable times by authorized representatives of the Tribe, and upon notice to the Board of Directors, by representatives of the Secretary of the Interior.

93.117 Indemnification of Officers, Employees and Board Members of the Authority

The Authority shall indemnify any officer, employee or member of the Business Board of the Authority, any former officer, employee or member of the Business Board of the Authority, and any person who may have served at its request as an officer, employee or member of the Business Board of the Authority, against reasonable expenses actually and necessarily incurred by that person in connection with the defense of any action, suit or proceeding in which that person is made a party by reason of being, or having been such officer, employee or member of the Business Board of the Authority except in relation to matters as to which that person shall be adjudged in such action, suit or proceeding to be liable for gross negligence or misconduct in the performance of duty; or except in relation to matters in which such employee was acting beyond the scope of his employment. The Authority shall also reimburse any officer, employee or member of the Business Board of the Authority reasonable costs of settlements of any such action, suit or proceeding if it shall be found by a majority of the Business Board of the Authority other than the members of the Business Board involved in the matter in controversy (whether or not a quorum exists), that it is in the best interest of the Authority and the Tribe that such settlement be made and that such officer, employee or member of the Business Board of the Authority was not guilty of gross negligence or misconduct, or acting beyond the scope of his employment. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights which such officer, employee or member of the Business Board of the Authority may be entitled to receive.

93.118 Personal Interest

During his or her tenure and one year thereafter, no officer or employee of the Authority, or any member of the Business Board, or any other public official who exercises any responsibilities or functions with respect to business shall voluntarily acquire any interest, direct or indirect, in any business or in any property included or planned to be included in a business, or in any contract or proposed contract relating to any business. If any member of the Business Board, officer or employee of the Authority involuntarily acquires any such interest, or voluntarily or involuntarily, acquired any such interest prior to appointment or employment as a board member, officer or employee, the board member, officer or employee, in any such event,

shall immediately disclose his or her interest in writing to the Authority, such disclosure shall be entered in the minutes of the Authority, and such member of the Business Board, officer or employee shall have sixty (60) days to dispose of such interest. In the interim, the member of the Business Board, officer or employee shall not participate in any action by the Authority relating to the property or contract in which he or she has any such interest. This section shall not be applicable to the acquisition of any interest in Obligations of the Authority issued in connection with any business, or to the execution of agreements by banking institutions for the deposit or handling of funds in connection with business or to act as trustee under any trust indenture, or to utility services the rates for which are fixed or controlled by a governmental agency, or to membership on the Business Board of the Authority as provided in this Charter. The Business Board may, by resolution, waive any of the provisions of this Section.

93.119 Bond

The Business Board, on behalf of and in the name of the Authority, shall obtain or provide for the obtaining of adequate fidelity bond coverage of its officers, agents, or employees handling cash or authorized to sign checks or certify vouchers.

93.120 Judgment Proof Property

All property including funds acquired or held by the Authority pursuant to this Charter shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any judgment against the Authority be a charge or lien upon such property. However, the provisions of this section shall not apply to or limit the right of lenders or Obligees to pursue any remedies for the enforcement of any pledge or lien given by the Authority on its fees or revenues, nor to any explicit waiver of immunity specifically subjecting Authority property to levy, execution or judicial process which is contained in a contract and approved by resolution of the Business Board as provided in this Charter.