



SAC AND FOX NATION

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IN THE DISTRICT COURT

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SAC AND FOX NATION
CHARLOTTE CARTWRIGHT
COURT CLERK

RESOLUTION SF-16-105

SAC AND FOX NATION
REGULAR BUSINESS COMMITTEE MEETING
SAC AND FOX RESERVATION
STROUD, OKLAHOMA

FILED
DATE Feb 22, 2016
SECRETARY
SAC & FOX NATION
Mary E. Hill
Committee

BY DEPUTY

FEBRUARY 18, 2016

A RESOLUTION AMENDING TITLE 8 – CORPORATIONS TO BE TITLE 8- BUSINESS ENTITIES AND ADDING CHAPTER 13 – LIMITED LIABILITY COMPANIES WHOLLY OWNED BY THE NATION

WHEREAS, the Business Committee of the Sac and Fox Nation met in a Regular meeting held the 18th of February, 2016; there being a quorum present, and

WHEREAS, the Business Committee is authorized to transact business and act on behalf of the Sac and Fox Nation pursuant to the Constitution and laws of the Nation, and

WHEREAS, the Sac and Fox Nation desires to have wholly owned business entities in order to transact business ventures on behalf of the Sac and Fox Nation and to develop businesses in a wide range of areas to diversity the holdings of the Sac and Fox Nation;

WHEREAS, the Business Committee of the Sac and Fox Nation finds that it is necessary and integral to that process to amend Title 8 – Corporations to become Title 8 – Business Entities and Add Chapter 13 – Limited Liability Companies Wholly Owned By the Nation to Title 8 to provide the rules and guidelines for creation of these Nation Owned Business Entities; and

WHEREAS, the Business Committee finds that the Sac and Fox Nation and its tribal members would benefit substantially from amendment of Title 8 – Corporations changing it to Title 8 – Business Entities and the Addition of Chapter 13 – Limited Liability Companies Wholly Owned By the Nation to Title 8 to provide the rules and guidelines for creation of these Nation Owned Entities.

NOW, THEREFORE BE IT RESOLVED THAT the Business Committee of the Sac

and Fox Nation does hereby amend Title 8 – Corporations to become Title 8 – Business Entities and Adds Chapter 13 – Limited Liability Companies Wholly Owned By the Nation to Title 8 to provide the rules and guidelines for creation of these Nation Owned Business Entities, with the Amendment attached hereto:

NOW, THEREFORE BE IT FURTHER RESOLVED, ENACTED AND ORDAINED THAT this resolution and amendment shall be effective upon the filing of the resolution with the Office of the Secretary and the Office of the Court Clerk of the Sac and Fox Nation.

CERTIFICATION

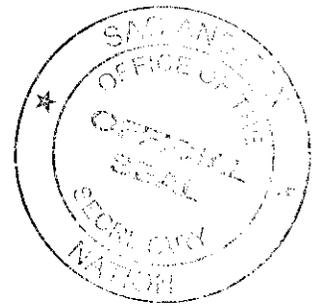
WE, Kay Rhoads, Principal Chief and Mary McCormick, Secretary of the Sac and Fox Nation do hereby certify **Resolution SF-16-105** to be true and exact as approved by the Business Committee in a Regular meeting held at the Sac and Fox Reservation, Stroud, Oklahoma on the 18th day of February 2016, by the vote of: Kay Rhoads - yes; Don W. Abney - yes; Mary McCormick - yes; Jared King - yes; Robert E. Williamson - yes.



Kay Rhoads, Principal Chief
Sac and Fox Nation



Mary F. McCormick, Secretary
Sac and Fox Nation



TITLE 8 – BUSINESS ENTITIES
SECTION 13 - LIMITED LIABILITY COMPANIES WHOLLY OWNED BY THE NATION

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PART 1. GENERAL PROVISIONS FOR LLCs WHOLLY OWNED BY THE NATION

SECTION 1310. SCOPE

This Section 13 shall apply to all limited liability companies organized under laws of the Nation that are limited liability companies wholly owned by the Nation, whether directly or as a wholly-owned subsidiary of another LLC or an Entity wholly owned by the Nation. The companies organized and created under this Section 13 shall be subject to this Section and all other laws of the Nation, provided that in any conflict, this Section 13 shall prevail. This Section 13 shall supersede all other acts pertaining to the limited liability companies that are wholly owned by the Nation.

SECTION 1301. LLCs DIRECTLY OWNED BY THE NATION

It is hereby authorized to be created, by a duly adopted resolution of the Sac and Fox Nation Business Committee, LLCs wholly owned by the Nation. All required initiating documents shall, after approval by the Sac and Fox Nation Business Committee, be filed with the Secretary.

SECTION 1302. SUBSIDIARY COMPANIES

It is hereby authorized to be created, by resolution of the Board of Directors of an LLC wholly owned by the Tribe, or of a wholly-owned subsidiary of such LLC, subsidiary LLCs to be wholly owned by the parent LLC, which shall be instrumentalities and arms of the Tribe. The organizer of such a Tribal subsidiary LLC shall file with the Secretary the Articles of Organization of the Tribal subsidiary LLC and a certified copy of the resolutions of the Board of Directors of the parent LLC authorizing the formation of the subsidiary LLC.

SECTION 1303. FORMATION DOCUMENTS

All LLCs or Subsidiaries formed pursuant to this Section 13 must be organized after approval of the following initiating documents:

1. The Articles of Organization shall contain all of the following information:
 - a. A statement that the LLC is organized under this Section 13.
 - b. A name for the LLC that satisfies the provisions of this Section 13.
 - c. That the LLC is wholly owned by the Nation.
 - d. That the LLC is to enjoy the Nation's sovereign immunity and the scope of any waiver of that immunity granted pursuant to Section 1304 and the LLC's Operating Agreement.
2. A Resolution of Approval passed by a majority vote of the Business Committee and signed by the Chief with an attestation by the Secretary for LLCs formed pursuant to Section 1301, or a resolution passed by a majority vote of the Board of Directors of the parent LLC forming a Subsidiary pursuant to Section 1302.
3. A copy of the minutes from the meeting where the other documents were approved by a vote of the Business Committee of the Sac and Fox Nation for LLCs formed pursuant to Section 1301, or a copy of the minutes from the meeting of the Board of Directors of the parent LLC forming a Subsidiary pursuant to Section 1302.

SECTION 1304. PRIVILEGES AND IMMUNITIES

The LLCs established under Sections 1301 and 1302 shall be considered to be instrumentalities and arms of the Nation, and their officers and employees considered officers and employees of the Nation, created for the purpose of carrying out authorities and responsibilities of the Nation for economic development of the Nation and the advancement of its citizens. Such LLCs, their directors,

officers, and employees shall, therefore, be entitled to all of the privileges and immunities enjoyed by the Nation, including, but not limited to, immunities from suit in Federal, State and Tribal courts and from Federal, State, and local taxation or regulation, except that:

1. An LLC formed pursuant to this Section 14 may specifically grant limited waivers of its immunity from suit and consent to be sued in Tribal Court or another court of competent jurisdiction; provided, however, that:
 - a. any such waiver or consent to suit granted by an LLC shall in no way extend to any action against the Nation, nor shall it in any way be deemed a waiver of any of the rights, privileges and immunities of the Nation of any other Entity or instrumentality of the Nation;
 - b. any recovery against the LLC shall be limited to the assets of the LLC (or such portion of the LLC's assets as further limited by the waiver or consent), and the Nation shall not be liable for the payment or performance of any of the obligations of the LLC, and no recourse shall be had against any assets or revenues of the Nation in order to satisfy the obligations of the LLC; including assets of the Nation leased, loaned, or assigned to the LLC for its use, without transfer of title;
 - c. any waiver of the LLC's immunities granted pursuant to the LLC's Operating Agreement shall be further limited or conditioned by the terms of such waiver;
 - d. any waiver must be contained in a written contract or commercial document to which the LLC is a party;
 - e. any waivers shall be limited to actual damages suffered and in no way provide for any exemplary damages, punitive damages or attorney's fees to be assessed against the LLC; and
 - f. any waiver must be granted by resolution of the Board of Directors and the Business Committee setting forth duration, grantee, transaction, property or funds of the LLC subject to the waiver, the court having jurisdiction, and any applicable law.
2. The sovereign immunity of the LLC shall not extend to actions against the LLC by the Nation acting as its sole Member, or, in the case of a subsidiary LLC created pursuant to Section 1302, by the parent LLC acting as its Member.

SECTION 1305. OWNERSHIP

1. No LLC interest in any LLC formed pursuant to Section 1301 may be alienated unless approved by a duly adopted resolution of the Sac and Fox Nation Business Committee. Further, no LLC Interest in any subsidiary LLC formed pursuant to Section 1302 may be alienated unless approved by a duly adopted resolution of the Board of Directors of the parent LLC.

2. All LLC Interests in any LLC wholly owned by the Nation shall be held by and for the Nation, or in the case of a subsidiary LLC, by an LLC wholly owned by the Nation. No individual citizen of the Nation shall have any personal ownership interest in any LLC organized under this Section 13, whether by virtue of such person's status as a citizen of the Nation, as an officer of the government of the Nation, or otherwise.

SECTION 1306. PROJECT COMPANIES WITH NON-TRIBAL OWNERS

Any LLC created pursuant to this Section 13, including any subsidiary LLCs, may form or own interests or shares in any Entity with other governmental or non-governmental Persons under the laws of the Nation or any other jurisdiction ("Project Companies"); provided, however, that the partial ownership interest in such Project Companies shall not diminish or affect the privileges and immunities of the LLC or subsidiary LLC created pursuant to this Section 13.

SECTION 1307. REGISTERED OFFICE AND REGISTERED AGENT

For each LLC formed under this Section 13, the registered agent shall be the Secretary with the registered office being that of the Secretary. Any service of process on the registered agent must follow all applicable laws of the Nation.

PART 2. FORMATION REQUIREMENTS FOR LLC'S WHOLLY OWNED BY THE NATION

SECTION 1321. FORMATION

1. The Chief of the Sac and Fox Nation Business Committee shall be the Organizer of any LLC formed pursuant to Section 1301. Unless a delayed effective date is specified, the existence of an LLC formed pursuant to Section 1301 is when the Articles of Organization have been approved by a resolution of the Sac and Fox Nation Business Committee.
2. The Chairman of the Board of Directors, or his or her designee, shall be the Organizer of any LLC formed pursuant to Section 1302. Unless a delayed effective date is specified, the existence of such subsidiary LLC begins when the Articles of Organization have been approved by a resolution of the Board of Directors of the parent LLC, and the Articles of Organization have been filed with the Secretary.

PART 3. MANAGEMENT OF LLCs FORMED PURSUANT TO SECTION 13

SECTION 1331. BOARD OF DIRECTORS AS MANAGER

1. Any LLC formed pursuant to this Section 13 shall be managed by a Board of Directors.
2. The number, terms, and method for selecting and removing Directors of any LLC formed pursuant to this Section 13 shall be specified in the subsidiary LLC's Operating Agreement.

PART 4. DISTRIBUTIONS TO NATION AS MEMBER

SECTION 1341. DISTRIBUTIONS OF INCOME TO NATION AS MEMBER

An LLC formed pursuant to Section 1301 shall distribute a portion not to exceed twenty-five percent (25%) of the net income of the LLC as set forth in a dividend plan adopted in accordance with the Articles or Organization and Operating Agreement and duly approved by the Sac and Fox Nation Business Committee except that an LLC may retain reserves necessary to carry on the LLC's business in a reasonably prudent manner and as recommended by its Board of Directors subject to further limitations set forth below in Section 1332 and in its Articles of Organization.

SECTION 1342. LIMITATIONS OF DISTRIBUTIONS

1. An LLC may not declare or make a distribution , if after giving effect to the distribution, any of the following would occur:
 - a. The LLC would be unable to pay its debts as they become due in the usual course of business.
 - b. The fair market value of the LLC's total assets would be less than the sum of its total liabilities plus, unless the Operating Agreement provides otherwise, the amount that would be needed for the preferential rights upon dissolution, if any.
2. An LLC may base a determination that a distribution is not prohibited by subsection (1), above, on any of the following:
 - a. Financial statements and other financial data prepared on the basis of accounting practices and principles that are reasonable under the circumstances.
 - b. A fair market valuation or other method that is reasonable under the circumstances.
3. An LLC's indebtedness to the Member incurred by reason of a distribution made in accordance with this Section is at parity with the LLC's indebtedness to its general unsecured creditors, except to the extent subordinated by written agreement. This Section does not affect the validity or priority of a security interest in an LLC's property that is created to secure the indebtedness to the Member.

PART 5. ADDITIONAL REPORTS AND AUDITS

SECTION 1351. AUDIT

The Nation may at any time, by a commercially-reasonable process, require that any LLC formed pursuant to Section 1301 or 1302 be audited by an independent auditor hired by the Nation who

shall have the absolute right to require access to all of the LLC's records and documents necessary for such an audit.

SECTION 1352. FINANCIAL, BUSINESS, AND BUDGET INFORMATION FOR THE NATION

All LLCs formed pursuant to this Section 13 shall submit the following information to the Sac and Fox Nation Business Committee or its designees (which the Sac and Fox Nation Business Committee shall deem confidential and proprietary upon request of the LLC's Board of Directors):

1. Copies of any periodic financial statements (including monthly or quarterly balance sheets, profit and loss statements, and cash flow statements) as may be prepared in the ordinary course of business, promptly after such statements are furnished to the LLC's management;
2. A full report of the business activities of the corporation within forty-five (45) days after the close of each fiscal quarter; and
3. A proposed annual budget for the following fiscal year of the Nation, including any proposed funding from the Nation or anticipated distributions to the Nation, by May 15 of each year, and the final annual budget adopted by each Board by October 1 of each tribal fiscal year.

PART 6. DISSOLUTION

SECTION 1361. GENERAL DISSOLUTION.

An LLC formed pursuant to this Section 13 is dissolved and its affairs shall be wound up upon the happening of the first of the following:

1. The occurrence of events specified in the Operating Agreement; and
2. By Resolution of the Sac and Fox Nation Business Committee for LLCs formed pursuant to Section 1301; or the governing Board of Directors for LLCs formed pursuant to Section 1302, as applicable.

SECTION 1363. WINDING UP

1. A dissolved LLC continues its legal existence but may not carry on any business except that which is appropriate to wind up and liquidate its business.
2. Unless otherwise provided for in the Operating Agreement, the business of the LLC may be wound up by the Sac and Fox Nation Business Committee or the Board of Directors who had authority to manage the LLC before dissolution.
3. The Persons winding up the business of the LLC may do all of the following in the name of and on behalf of the LLC:

- a. Collect its assets.
 - b. Prosecute and defend suits.
 - c. Take any action necessary to settle and close the business of the LLC.
 - d. Dispose of and transfer the property of the LLC.
 - e. Discharge or make provision for discharging the liabilities of the LLC.
 - f. Distribute to the Member any remaining assets of the LLC.
4. Dissolution of an LLC does not do any of the following:
- a. Transfer title to any property of the LLC.
 - b. Prevent transfer of all or part of a Member's interest.
 - c. Prevent commencement of a civil, criminal, administrative, or investigatory proceeding by or against the LLC by the Nation.
 - d. Abate or suspend a civil, criminal, administrative, or investigatory proceeding of the Nation pending by or against the LLC at the time of dissolution.
 - e. Terminate the authority of the registered agent of the LLC.
 - f. Alter the limited liability of any Member.

SECTION 1364. DISTRIBUTION OF ASSETS

Upon the winding up of an LLC after a decision for dissolution, the assets shall be distributed to creditors, including to the extent permitted by law, the Nation or parent entity in satisfaction of liabilities of the LLC.

SECTION 1365. ARTICLES OF DISSOLUTION

After the dissolution of an LLC under Section 1361, the LLC may file articles of dissolution with the Secretary that include the following:

1. The name of the LLC.
2. The date of filing of its Articles of Organization.
3. The delayed effective date of the articles of dissolution, if applicable.

SECTION 1366. KNOWN CLAIMS AGAINST DISSOLVED LLC

1. A dissolved LLC may notify its known claimants in writing of the dissolution and specify a procedure for making claims.
2. A claim against the LLC is barred if:
 - a. A claimant who was given written notice under subsection (1) above, does not deliver the claim, in writing, to the LLC by the deadline specified in the notice; or
 - b. A claimant whose claim is rejected by the LLC does not commence a proceeding to enforce the claim within forty-five (45) days after receipt of the rejection notice.