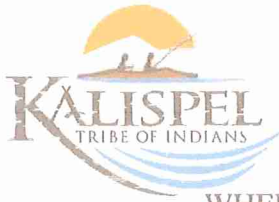


KALISPEL RESOLUTION NO. 2011-23



KALISPEL TRIBE OF INDIANS

UCC RESOLUTION

Kalispel Tribe of Indians
P.O. Box 39
Usk, WA 99180

(509) 445-1147
(509) 445-1705 fax
www.kalispeltribe.com

WHEREAS, the Kalispel Business Committee (the "Committee") is the duly Constituted governing body of the Kalispel Tribe of Indians, listed in the Federal Register as the Kalispel Indian Community of the Kalispel Reservation (the "Tribe"), by the authority of the Constitution and By-Laws of the Tribe; and

WHEREAS, under the Constitution and By-Laws of the Tribe, the Kalispel Business Committee is charged with the duty of protecting the health, security and general welfare of the Kalispel Tribe and all Reservation residents; and

WHEREAS, the Committee adopted Resolution 2011-14 on December 14, 2010 (the "Authorizing Resolutions"), which granted the Tribe, the Kalispel Tribal Economic Authority, an instrumentality of the Tribe ("KTEA"), and Northern Quest, a tribally chartered enterprise (the "Casino Enterprise"), authority to obtain new long term financing (the "New Financing") to refinance the existing \$215,000,000 credit facility of KTEA (the "Existing Credit Facility") and to provide the Tribe, KTEA, the Casino Enterprise and their affiliates with the necessary capital and flexibility to operate their businesses in the future; and

WHEREAS, the Authorizing Resolutions authorized, empowered and directed the Tribe and KTEA to take all actions reasonably necessary or desirable, on their own behalf and on behalf of the Casino Enterprise and their other affiliates, to enable the Tribe, KTEA, the Casino Enterprise, or any of their affiliates to obtain the New Financing in the amount and with such terms as are reasonable and necessary; and

WHEREAS, KTEA has retained Merrill Lynch, Pierce, Fenner & Smith Incorporated to arrange for the making by, or sale to, certain lenders (the "Lenders") of senior secured term loans in the approximate amount of \$205,000,000 and a revolving credit facility in the approximate amount of \$5,000,000 (collectively, and together with any amendments, modifications, supplements or refinancings thereof, the "New Credit Facility"), to be used to: (i) refinance the existing obligations under the Existing Credit Facility; (ii) prefund \$10,000,000 of capital expenditures; (iii) pay the fees and expenses associated with termination of existing swap contracts entered into in connection with the Existing Credit Facility; (iv) pay the fees and expenses associated with the consummation of the New Credit Facility; and (v) provide working capital financing for the ongoing gaming operations; and

WHEREAS, Bank of America, N.A. shall be the administrative agent ("Agent") for the New Credit Facility; and

WHEREAS, the other terms of the New Credit Facility have been more particularly described in the term sheet dated January 12, 2011, a copy of which has been provided to the Committee; and

WHEREAS, a condition to making the New Credit Facility available is that the New Credit Facility be secured by a lien upon all of the assets associated with the casino and resort operations known as the Northern Quest Resort & Casino (the "Casino"), including all of the assets associated with the gaming, lodging, entertainment, food and beverage, resort and other similar businesses associated therewith, the revenues arising from those businesses, and any accounts into which those revenues are deposited (collectively, the "Gaming Enterprise Assets"); and

WHEREAS, notwithstanding anything herein to the contrary, the New Credit Facility shall not be secured by any real property or improvements thereto, and the Gaming Enterprise Assets shall in any event exclude (i) non-gaming endeavors or businesses of the Tribe or its affiliates located off the Casino site (including businesses and endeavors conducted on the approximately 252 acre site adjacent to the Casino site), (ii) the Infrastructure Elements, and (iii) the franchising and other small businesses and concessions conducted by the Kalispel Tribal Economic Authority Franchise Operations on the Casino site; and

WHEREAS, on June 3, 2008, the Committee adopted Resolution 2008-38 (the "Tribal UCC Resolution"), which adopted the Kalispel Commercial Code, codified as Chapter 28 of the Kalispel Tribe Law and Order Code (the "Tribal UCC"); and

WHEREAS, in order to induce the Agent and Lenders to make the New Credit Facility available and complete the transactions contemplated thereby, it is necessary for the Committee to supplement the terms of the Authorizing Resolutions to repeal and revoke the Tribal UCC Resolution and the Tribal UCC and to ratify and approve, among other matters, the limited application of the Uniform Commercial Code to the New Credit Facility and the security interest in Gaming Enterprise Assets.

NOW, THEREFORE, BE IT RESOLVED AND ENACTED by the Kalispel Business Committee, as follows:


1. Incorporation of the Recitals. The recitals are incorporated herein as though fully set forth herein.
2. Authorizing Resolutions. The resolutions herein are in addition to and supplement the Authorizing Resolutions and in no way modify or supersede the Authorizing Resolutions.
3. Tribal UCC Resolution and Tribal UCC. The Tribal UCC Resolution and the Tribal UCC are revoked and repealed in their entirety, effective immediately.
4. New Credit Facility. The provisions of Article 9 of the Uniform Commercial Code in effect from time to time in the State of Washington (the "State UCC"), together with all definitions used, but not contained therein, as may be amended from time to time, are hereby adopted and incorporated by reference applicable to the security interests granted by the Tribe, KTEA, the Casino Enterprise or any of its other subdivisions, enterprises, or instrumentalities in connection with the New Credit Facility; provided, however, that this adoption is subject to the following:


- A. A security interest granted in money, earnings, income and/or revenues, and all rights to and interest with respect to receiving the foregoing before actual possession thereof whether in the form of money, deposit accounts, investments, accounts, instruments or other assets, and the proceeds thereof, in which a security interest is granted to a secured party ("Pledged Revenues") shall be created and attach upon the giving of value and the granting of such security interest in a writing executed by the grantor. Such security interest may be perfected by the filing of a financing statement in the same manner and in the same location as if all of such Pledged Revenues were accounts.
- B. The perfection, effect of perfection or non-perfection and priority of any security interest to which this Resolution applies shall be determined as if each grantor were (for purposes of Sections 9-301 through 9-307 of the State UCC) located in the State of Washington and as if all lands within the Tribe's reservation and all lands held by the United States in trust for the benefit of the Tribe or individual members of the Tribe over which the Tribe exercises jurisdiction were located in the State of Washington; provided that the provisions of the State UCC that determine the location of a debtor shall not be applied.
- C. The filing of a financing statement shall become effective and shall remain in effect once filed without need for further renewal or extension, (a) if filed on a Form UCC-1 acceptable for such purposes under the State UCC in the filing office designated by the State UCC, or (b) if recorded in the office of the Recorder of Deeds for the District of Columbia, each of which shall constitute the applicable filing office for financing statements under this Resolution.
- D. The provisions of Section 9-109(c) of the State UCC shall be ineffective to limit the application of the State UCC in accordance with this Resolution.
- E. This Resolution shall be applicable to the Tribe, KTEA, the Casino Enterprise and any other instrumentalities or enterprises of the Tribe as debtors even though the Tribe is a government.
- F. This Resolution is intended to be a law within the meaning of the State UCC Section 9-307(c), which generally requires information concerning the existence of a non-possessory security interest to be made generally available in a filing, recording, or registration system as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

5. Resolution 2008-36. Nothing in these resolutions herein shall in any way affect, modify or supersede Resolution 2008-36 adopted by the Committee on May 27, 2008, and Resolution 2008-36 remains in full force and effect and is hereby confirmed and ratified.

CERTIFICATION

The Kalispel Business Committee adopted the foregoing RESOLUTION at a meeting held on the 25th day of January, 2011, at the Tribal office on the Kalispel Indian Reservation near Usk, Washington, with the required quorum present by a vote of 4 FOR and 0 AGAINST.


Glen Nenema, Chairman
Kalispel Business Committee
(Term Expires June 2011)


Darren Holmes, Secretary
Kalispel Business Committee
(Term Expires June 2013)



KALISPEL TRIBAL COUNCIL
KALISPEL INDIAN RESERVATION
USK, WASHINGTON 99180

MEMORANDUM:

To: _____

FROM: _____

SUBJECT: Revocation of Resolution 2008-38 and the Tribal UCC Resolution

COUNCIL ACTION: Resolution 2011-23

Resolution 2008-38 and the Tribal Uniform Commercial Code (UCC) are revoked and repealed effective immediately.

MOTION: Nick Pierre

SECOND: Ray Pierre

COUNCIL MEMBERS

<u><i>R. Pierre III</i></u>
<u><i>M. Pierre</i></u>
<u><i>Betty Pierre</i></u>

VOTE CAST	
(YES)	(No)
<u>✓</u>	_____
<u>X</u>	_____
<u>✓</u>	_____
_____	_____

COUNCIL ACTIONS:

SIGNED: *Elen M...*

FOR: 4 AGAINST: 0

ABSTAINED: _____

FOR: _____
AGAINST: _____

DATE: 1-25-11



Kalispel Tribe of Indians
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Usk, WA 99180

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Council repealed Resolution 2008-38 on January 25, 2011, by Resolution 2011-23


RESOLUTION

- WHEREAS, the Kalispel Business Committee is the duly Constituted governing body of the Kalispel Tribe by the authority of the Constitution and By-Laws for the Kalispel Tribe; and
- WHEREAS, under the Constitution and By-Laws of the Tribe, the Kalispel Business Committee is charged with the duty of protecting the health, security and general welfare of the Kalispel Tribe and all Reservation residents; and
- WHEREAS, the Kalispel Tribe adopted the Law and Order Code of the Kalispel Tribe of Indians for the purpose of protecting the lives, property, culture and natural resources of the Kalispel Tribe of Indians and the people within the boundaries of the Kalispel Reservation; and
- WHEREAS, the Kalispel Tribe envisions itself and its members as highly successful business people who have expanded their land base to help create ample housing opportunities and meaningful employment for their people, many of whom are self-employed; and
- WHEREAS, there is a need to simplify, clarify and modernize the law governing commercial transactions; and
- WHEREAS, the Kalispel Tribe's Legal Office has worked closely with the Gonzaga University Law Clinic on the development of the Kalispel Commercial Code to permit the continued expansion of commercial practices through custom, usage and agreement of the parties and to promote economic growth of the Kalispel Tribe and its members, on and off the Reservation;
- NOW THEREFORE, BE IT RESOLVED, that the Kalispel Tribe of Indians through the Business Committee adopts the attached Kalispel Commercial Code, to be codified as Chapter 28 of the Kalispel Tribe Law and Order Code.

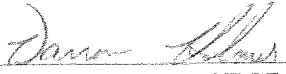
Council repealed Resolution 2008-38 on January 25, 2011, by Resolution 2011-23

CERTIFICATION

The Kalispel Business Committee adopted the foregoing RESOLUTION at a meeting held on the 3 day of June, 2008, at the Tribal office on the Kalispel Indian Reservation near Usk, Washington, with the required quorum present by a vote of 3 FOR and 0 AGAINST.



GLEN NENEMA, CHAIRMAN
KALISPEL BUSINESS COMMITTEE
(TERM EXPIRES JUNE 2008)



DARREN HOLMES, SECRETARY
KALISPEL BUSINESS COMMITTEE
(TERM EXPIRES JUNE 2010)