

Committee: Rules

Date: 12/2/2019

Committee Date: 12/16/2019

Author: Doug Evans

Sponsor: Janees Taylor, Mike Shambaugh, Joe Deere, Keith Austin, Dora Patzkowski, Victoria Vazquez, Daryl Legg, E.O. Smith, Mike Dobbins, Harley Buzzard, Joe Byrd, Canaan Duncan, Wes Nofire, Rex Jordan, Shawn Crittenden

RESOLUTION NO. 71-19

COUNCIL OF THE CHEROKEE NATION

A RESOLUTION AUTHORIZING CERTAIN LENDING TRANSACTIONS INVOLVING CHEROKEE NATION BUSINESSES, L.L.C., A CHEROKEE NATION TRIBAL LIMITED LIABILITY COMPANY, AND AUTHORIZING A LIMITED WAIVER OF SOVEREIGN IMMUNITY

WHEREAS, the Cherokee Nation since time immemorial has exercised the sovereign rights of self-government in behalf of the Cherokee people; and

WHEREAS, the Cherokee Nation is a federally recognized Indian Nation with an historic and continual government to government relationship with the United States of America; and

WHEREAS, Cherokee Nation Businesses, L.L.C. ("CNB") is a for-profit limited liability company organized under the laws of the Cherokee Nation, is wholly owned by the Cherokee Nation and enjoys sovereign immunity from suit under federal law; and

WHEREAS, Cherokee Nation Entertainment, L.L.C. ("CNE") is a for-profit limited liability company organized under the laws of the Cherokee Nation, is wholly-owned by CNB and enjoys sovereign immunity from suit under federal law; and

WHEREAS, in 2013, (i) CNB obtained a five-year credit facility from BOKF, NA dba Bank of Oklahoma ("BOK") in the original amount of \$100,000,000, (ii) CNE and its subsidiaries guaranteed the loan, (iii) CNB, CNE, and CNE's subsidiaries pledged certain of their assets relating to gaming and entertainment operations, and (iv) the Cherokee Nation entered into a Non-Interference Agreement and provided limited waivers of sovereign immunity to allow BOK to enforce the transaction parties' obligations with respect to the credit facility and to enforce the Cherokee Nation's obligations with respect to the Non-Interference Agreement; and

WHEREAS, in 2017, (i) the parties increased the amount of credit available under the Credit Agreement from \$100,000,000 to \$150,000,000 and extended the maturity date, (ii) the guarantees, the asset pledges and the Non-Interference Agreement were ratified and confirmed, and (iii) the Cherokee Nation provided an updated limited waiver of sovereign immunity; and

WHEREAS, the parties to the transactions desire to (i) increase the amount of credit available under the Credit Agreement from \$150,000,000 to \$300,000,000, (ii) extend the maturity date further, (iii) have the guarantees, the asset pledges and the Non-Interference Agreement ratified and confirmed, and (iv) have the Cherokee Nation provide an updated limited waiver of sovereign immunity.

BE IT RESOLVED BY THE CHEROKEE NATION, that the Tribal Council hereby authorizes the increase of the amount of credit available under the Credit Agreement to

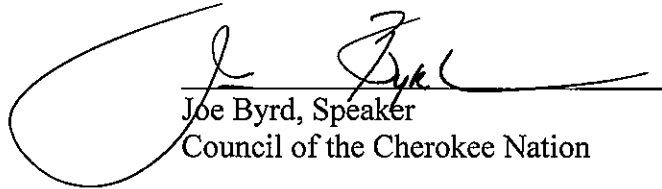
\$300,000,000 and the extension of the maturity date, and authorizes the ratification and confirmation of the guarantees, the asset pledges and the Non-Interference Agreement, all on terms and conditions to be negotiated by the authorized officers of CNB, CNE, and CNE's subsidiaries and/or the Principal Chief; and

BE IT FURTHER RESOLVED BY THE CHEROKEE NATION, that the Tribal Council hereby authorizes the Principal Chief and/or his designee to negotiate as necessary and to expressly waive the sovereign immunity and jurisdiction of the transaction parties as they apply to the loan transactions, and of the Cherokee Nation as they apply to the reaffirmed Non-Interference Agreement; and


BE IT FINALLY RESOLVED BY THE CHEROKEE NATION, that this Resolution shall in no manner or in any respect operate or be construed to operate to waive or otherwise diminish the sovereign immunity of the Cherokee Nation, except as to allow certain actions against the transaction parties and the Cherokee Nation as provided herein and in the applicable loan documents.

CERTIFICATION


The foregoing resolution was adopted by the Council of the Cherokee Nation at a duly called meeting on the 16th day of December, 2019, having 17 members present, constituting a quorum, by the vote of 17 yea; 0 nay; 0 abstaining.


Joe Byrd, Speaker
Council of the Cherokee Nation

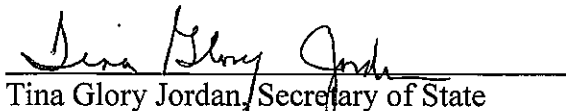
ATTEST:


Janees Taylor, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 20th day of December, 2019.


Chuck Hoskin, Jr., Principal Chief
Cherokee Nation

ATTEST:


Tina Glory Jordan, Secretary of State
Cherokee Nation

Cherokee Nation Act/Resolution Proposal Form

Act Resolution

<u>ADMINISTRATIVE CLEARANCE</u>	
Dept/Program:	
Signature/Initial	Date
Executive Director:	
Signature/Initial	Date
Treasurer: (Required: Grants/Contracts/Budgets)	
Signature/Initial	Date
Government Resources:	
Signature/Initial	Date
Administration Approval:	
<i>June New</i> Signature/Initial	12/3/19 Date

TITLE:

DEPARTMENT CONTACT: Chuck Garrett

RESOLUTION PRESENTER: Doug Evans

COUNCIL SPONSOR: James Taylor, Mike Shambaugh, Joe Deere

NARRATIVE:

The Cherokee Nation conducts gaming and entertainment operations through Cherokee Nation Entertainment, LLC ("CNE"). CNE is wholly owned by Cherokee Nation Businesses, LLC ("CNB"), which is wholly owned by the Cherokee Nation.

In 2013, CNB obtained a five-year Credit Facility from Bank of Oklahoma ("BOK") in the amount of \$100,000,000, (ii) CNE and its subsidiaries guaranteed the loan, and (iii) CNB, CNE and its subsidiaries pledged their assets relating to gaming and entertainment operations. As a condition to providing the loan, BOK required that the Cherokee Nation enter into a Non-Interference Agreement and provide limited waivers of sovereign immunity to allow BOK to enforce CNB's and CNE's obligations with respect to the Credit Facility and enforce the Cherokee Nation's obligations with respect to the Non-Interference Agreement.

In 2017, the credit facility was amended to increase the amount of credit available under the Credit Agreement to \$150,000,000 and extend the maturity date to September of 2022. Along with that, as required by BOK, the guarantees, the asset pledges and the Non-Interference Agreement were ratified and confirmed, and the Cherokee Nation provided an updated limited waiver of sovereign immunity.

CNB's Board of Directors has now determined that it is in the best interest of CNB and CNE to increase the amount of credit available under the Credit Agreement to \$300,000,000, extend the maturity date by two years, amend the Credit Agreement accordingly and, as required by BOK, have the guarantees, the asset pledges and the Non-Interference Agreement ratified and confirmed, and have the Cherokee Nation provide an updated limited waiver of sovereign immunity.

<u>LEGISLATIVE CLEARANCE:</u>	
Legal & Legislative Coordinator:	
<i>Joe Deere</i> Signature/Initial	12/3/19 Date
Standing Committee & Date:	
<i>Rules 12/16/19</i>	
Chairperson:	
<i>Bugd</i> Signature/Initial	Date
Returned to Presenter:	
Date	