

Downstream Development Authority of the Quapaw Tribe of Oklahoma

Supplement to Minutes dated 9/5/19

Email Poll

Roll Call:	John Berrey, Chairman	Present
	Larry Ramsey, Secretary	Present
	Tamara Reeves, Treasurer	Present
	Jack Brill, Member	Present

An email poll was conducted on Monday September 16, 2019.

All,

Attached is the resolution for approval of the \$20 million dollar loan from Simmons Bank for Saracen Construction and the construction loan documents.

From: Stephen Ward [mailto:SWard@cwlaw.com]

CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION—DO NOT DISCLOSE

Chairman Berrey:

I am attaching, for approval by the Downstream Development Authority, acting as the sole member of Saracen Development, LLC, a resolution approving a \$20 million loan from Simmons Bank to provide interim financing for the construction of the Saracen Casino Resort.

Background: To address the unanticipated delay in the permanent financing, the Downstream Authority has arranged through Simmons Bank to obtain a short-term loan from Simmons Bank to permit development of the Saracen Casino Resort to proceed until permanent (bond) financing can be obtained. A closing on this interim financing is scheduled for this Thursday.

As the resolution states, the loan will have a term of 180 days, and will bear interest at the rate of the greater of the one month LIBOR rate plus 5.50%, adjusting monthly, or 6.5% per annum. This interim financing will be paid off when the permanent financing is closed. The borrower for this loan will be solely Saracen Development, LLC; the Downstream Authority is not a co-borrower or guarantor.

Action Requested: The Authority's approval of the attached resolution, as the sole member of Saracen Development, LLC, will be required. We will need a copy of the certified resolution by Wednesday afternoon.

Should you have any questions or comments, please do not hesitate to contact me.

Stephen R. Ward
Partner

Please let me know your vote

Any questions please let me know.

Vote:

John Berrey	Yes	Tamara Reeves	Yes
Larry Ramsey	Yes	Jack Brill	Yes

4 yes, 0 no, 0 abstaining, 0 absent

Motion Carries.



Resolution No. 09 16 19-A

A RESOLUTION AUTHORIZING CERTAIN TRANSACTIONS WITH SIMMONS BANK TO FINANCE THE SARACEN CASINO RESORT

WHEREAS, the Downstream Development Authority of the Quapaw Tribe of Oklahoma (O-Gah-Pah) (the "Authority"), is an unincorporated governmental subdivision wholly owned by the Quapaw Nation (O-Gah-Pah) (the "Nation" or the "Tribe"), a federally recognized Indian nation; and

WHEREAS, the Authority was created under the laws of the Tribe and authorized to develop, operate, and manage the Downstream Casino Resort (the "Resort") and to engage in gaming pursuant to Tribal, federal, and state law on the Indian lands of the Tribe within the original Quapaw Reservation, as established as a homeland for the Quapaw Nation by the Treaty of May 13, 1833, Quapaw Code Title 17, § 101 et seq.; and

WHEREAS, the Authority is expressly authorized to exercise its powers in the best interests of the Tribe, and to enter into binding agreements, including those relating to financing; and

WHEREAS, to provide for the further economic development of the Nation, the Authority is proceeding with developing the Saracen Casino Resort in Pine Bluff, Arkansas (the "Project"), through Saracen Development, LLC, a wholly owned subsidiary of the Authority of which the Authority is the sole member ("Saracen"); and

WHEREAS, as part of the overall financing of the Project, Saracen, as Borrower, has negotiated and has prepared, with the assistance of its advisors and legal counsel, agreements with Simmons Bank, as Lender ("Simmons"), to provide for a Construction Loan in the aggregate amount of Twenty Million Dollars (\$20,000,000.00) (the "Loan"), which will have a term of one hundred and eighty days and bear interest at the rate of the greater of the one month USD LIBOR rate plus 5.50%, adjusting monthly, or 6.5% per annum; and

WHEREAS, the Authority, acting on behalf of Saracen as its sole member, desires to approve and authorize the transaction documents for the Simmons Loan, all between Simmons and Saracen, including: (1) the Construction Loan Agreement; (2) the Construction Mortgage; (3) the Absolute Assignment of Rents, Leases and Contracts; (4) the Deposit Account, Security and Control Agreement; (5) the Indemnification Agreement (Environmental, ADA, and Other Governmental Requirements); (6) the Negotiable Term Promissory Note (Closed End Multiple Advance); (7) the Security Agreement; and (8) the various schedules and annexes attached to the foregoing documents, and such other agreements, instruments, certificates, and financing statements as may be required under the foregoing agreements or as may be necessary in connection with the Simmons Bank Loan and the mortgage, pledge or grant of security interests in the assets of Saracen to secure the Simmons Loan (collectively all such agreements and instruments are referred to as the "Loan Documents"); and



WHEREAS, the Authority, acting on behalf of Saracen as its sole member, has been presented with drafts in final form or in substantially final form of each of the Loan Documents, and the Authority desires to approve the form of each of the Loan Documents and to direct the Chairman of the Authority (the "Chairman") or other officers to execute and deliver each of the Loan Documents to which Saracen is a party, on behalf of Saracen, and to execute and deliver on behalf of Saracen such other agreements, documents, instruments or certificates as may be necessary or desirable for Saracen to execute in connection with the Simmons Loan.

NOW, THEREFORE BE IT RESOLVED THAT the Authority finds and determines as follows:

1. Findings. The Authority, acting on behalf of Saracen as its sole member, finds and determines that: (i) the recitals and representations in this Resolution are true and correct in all material respects; (ii) the Authority has full power and authority to adopt this Resolution; and (iii) the Authority's adoption of this Resolution and the approval of the Transaction Documents each are in the best interest of Saracen.

2. Approval of the Simmons Loan and the Loan Documents. The Authority, acting on behalf of Saracen as its sole member, hereby (a) authorizes the Simmons Loan in an aggregate principal amount of Twenty Million Dollars and No Cents (\$20,000,000.00) as described therein, (b) approves the form, terms and provisions of each of the Loan Documents, and (c) authorizes and directs the Chairman, and/or such other officers of the Authority, acting on behalf of Saracen as its sole member, whose signatures are required to be given on any particular Loan Document, to execute and deliver each of the Loan Documents to Simmons, and (d) authorizes and directs the Chairman and/or any other officer of the Authority, acting on behalf of Saracen as its sole member, or Saracen, to execute any certificates, instruments and other documents required under the Loan Documents and to take any other actions necessary in connection with execution and delivery of such Loan Documents. The Authority, acting on behalf of Saracen as its sole member, hereby approves the performance by Saracen of the Loan Documents and the transactions contemplated thereby.

3. Authorization of Further Negotiations. The Authority, acting on behalf of Saracen as its sole member, hereby authorizes and directs the Chairman of the Authority to direct, conduct, and conclude further negotiations of the Loan Documents, as necessary or proper, and to authorize non-material changes to such Loan Documents, as deemed necessary to conclude the Loan; provided, however, that the Chairman shall continue to confer with the officers and Members of the Authority, acting on behalf of Saracen as its sole member, and the Authority's counsel and such other advisors as the Chairman deems appropriate in exercising the authority and powers delegated hereunder.

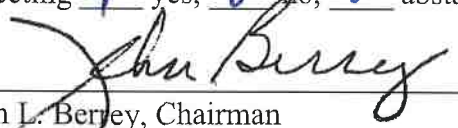
4. Confirmation of Saracen's Existence as a Nongovernmental Entity. The Authority, acting on behalf of Saracen as its sole member, hereby confirms that Saracen was established as, and is, a nongovernmental entity not entitled to governmental privileges and immunities, and, solely for the avoidance of any doubt, hereby irrevocably and unconditionally waives any governmental privileges and immunities, including sovereign immunity.

5. Confidentiality. The Authority, acting on behalf of Saracen as its sole member, hereby orders and directs that all of the agreements and instruments relating to the Simmons Loan, and including each and every one of the Transaction Documents and all drafts and other specific information concerning such transaction, including but not limited to engagement and fee arrangements and all financial aspects of the Simmons Loan and other transactions described herein, shall be deemed to be highly confidential and proprietary information of the Authority and Saracen (the "Confidential Information"), and further that such Confidential Information shall not, except as expressly authorized by the Authority or Saracen, be disclosed, except to the Authority's and Saracen's management and accounting staff, tax advisors, legal counsel, and other persons with a need to know such information, provided that any and all such persons are advised of and agree to maintain the confidentiality of such Confidential Information, as required hereunder.

6. Miscellaneous. If any provision of this Resolution or the application of any provision of this Resolution is held to be invalid, the remainder of the Resolution shall not be affected with respect to the same, and, further, this Resolution shall become effective as of the date and time of its passage and approval by the Authority.

C E R T I F I C A T I O N

The foregoing resolution of the Downstream Development Authority of the Quapaw Tribe of Oklahoma (O-Gah-Pah) was presented and duly adopted through an electronic/telephonic vote of the members of the Authority on September 14, 2019, with a vote reflecting 4 yes, 0 no, 0 abstaining, and 0 absent.



John L. Berrey, Chairman
Downstream Development Authority



Larry J. Ramsey, Secretary
Downstream Development Authority