

Oneida Tribe of Indians of Wisconsin

BUSINESS COMMITTEE



Oneidas bringing several hundred bags of corn to Washington's starving army at Valley Forge, after the colonists had consistently refused to aid them.



UGWA DEMOLUM YATEHE
Because of the help of this Oneida Chief in cementing a friendship between the six nations and the colony of Pennsylvania, a new nation, the United States was made possible.

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BC Resolution # 4-17-02-A

Resolution Adopting Amendments to the Oneida Small Business Project 2000 Policies and Procedures

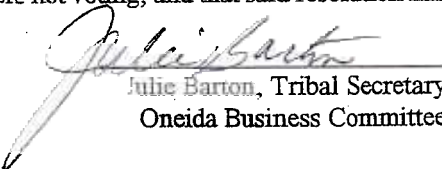
- WHEREAS,** the Oneida Tribe of Indians of Wisconsin is a federally recognized Indian government and a treaty tribe recognized by the laws of the United States; and
- WHEREAS,** the Oneida General Tribal Council is the governing body of the Oneida Tribe of Indians of Wisconsin; and
- WHEREAS,** the Oneida Business Committee has been delegated the authority of Article IV, Section of the Oneida Tribal Constitution by the Oneida General Tribal Council; and
- WHEREAS,** the Oneida Tribe is committed to enhancing the economic opportunities of its members; and
- WHEREAS,** the establishment of a permanent, prosperous economy within the Oneida tribal community requires the development of a vigorous private sector; and
- WHEREAS,** the development of a vigorous private sector requires investment in the development of private skills and capital; and
- WHEREAS,** the success of such a development program requires both investment and sound, professional management; and
- WHEREAS,** the Small Business Project 2000 was passed by the Oneida Business Committee on June 6, 2001; and
- WHEREAS,** subsequent concerns have been raised regarding the percentage amount required as an applicant contribution for a loan, and the placement of a cap on funds available per loan and per project; and
- WHEREAS,** Bay Bank has recommended changes to the Small Business Project, in accordance with sound banking policy.

NOW THEREFORE BE IT RESOLVED: that the attached amendments to the Small Business Project 2000 Policies and Procedures are hereby adopted.

BE IT FINALLY RESOLVED: that the Treasurer is directed to deposit the necessary funds with Bay Bank within 10 business days of passage of this resolution.

Certification

I, the undersigned, as Secretary of the Oneida Business Committee, hereby certify that the Oneida Business Committee is composed of 9 members of whom 5 members constitute a quorum. 8 members were present at a meeting duly called, noticed and held on the 17th day of April, 2002; that the foregoing resolution was duly adopted at such meeting by a vote of 7 members for; 0 members against; and 0 members not voting; and that said resolution has not been rescinded or amended in any way.


Julie Barton, Tribal Secretary
Oneida Business Committee

**Small Business Project 2000 Policies and Procedures
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2(d) Loan Closing. The Bank shall be responsible for conducting the entire loan closing and issuance process, including prescribing and approving all loan and security documents, and assuring that other promised funds and financing are in place and in compliance with Loan Fund requirements.

2(e) Loan Monitoring. The Bank shall require the filing of periodic post-closing financial statements and business progress reports, and shall conduct periodic site visits to verify the information set forth in these documents.

2(f) Loan Collection and Enforcement. The Bank shall be responsible for receiving all loan repayments and depositing such payments in the Loan Fund, together with the enforcement of loan terms and covenants.

2(g) Except where otherwise provided, these duties shall be performed according to the Bank's established policies and practices.

2(h) Records. Written records of all program activities, including program meetings, loan applications and related documents, shall be maintained in appropriate files at the participating Banks. All such files shall be maintained in a secure place with limited access by authorized personnel. The following files shall be established and maintained for each loan recipient:

(i) Loan application file. All applications, business financial statements, personal financial statements, credit reports, business plan documents, and all other supporting loan information submitted by the applicant to the Bank in the process of obtaining, or seeking to obtain a loan, including all applicable correspondence, shall be placed in a permanent file held and maintained at the participating Bank.

(ii) Loan recommendation file: This file should contain a summary of the loan analysis, recommended actions on the application, a copy of the minutes for the loan review(s) performed by the Bank, and any other document summarizing the action(s) taken on the loan request.

(iii) Loan Closing File: This file should contain all loan closing documents, including legal instruments, e.g., mortgages and other security documents, promissory notes, etc., together with applicable correspondence, which shall be held secure in a fireproof safe.

(iv) Follow-up ("tickler file") system: A follow-up file system should be established and maintained to ensure that loan repayments, financial information, the loan agreement, Uniform Commercial Code (UCC) updates, and other time sensitive documentation requirements are tracked and obtained as required. The system should include the following monthly coded index files:

(A) Expiration dates for property, casualty and life insurance policies;

(B) Due dates for all financial statements;

(C) Expiration dates for UCC financing statements, the reminder to update being at least 45 days prior to the expiration of the UCC filing on hand;

(D) Scheduled dates of annual loan performance and covenant reviews;

(E) Dates for site visits;

2(k) Audit. The Bank shall make its files available for an annual audit of the loan fund, conducted by an auditor selected by the Tribe, whose Report shall be submitted to both the Tribe and the Bank.

2(l) Ordinary Bank Loans. Nothing in this Chapter shall be understood as preventing a tribal member from applying for or receiving an ordinary bank loan, to be issued from Bank funds and reviewed and administered according to ordinary Bank terms, policies and procedures. Nor shall anything in this Chapter be understood as waiving or absolving the Bank(s) duties to provide fair and equal treatment to tribal applicants for ordinary loans.

Chapter 3

The Tribe's Role in the Programs

3(a) Oneida Liaison. The Business Committee shall designate a specific individual or office to serve as Oneida Liaison, for the receipt of all communications from the Bank(s) and the transmission of all tribal communications to the Bank(s), regarding the loan program and fund.

3(b) Audit. The Oneida Business Committee shall select an independent auditing firm to conduct an annual audit of the Loan Fund, and report its findings to the Tribe and Bank(s).

(i) The costs of such audit shall be borne by the Loan Fund.

(ii) The Oneida Audit Committee shall conduct periodic review of the Bank's monthly statements and semi-annual reports of Loan Fund performance and report any concerns to the Business Committee.

3(c) The Oneida Liaison shall maintain two Loan Fund registers, as follows:

(i) A monthly updated register recording each individual deposit, including repayments, and each disbursement, including administrative fees, taken from the Bank's monthly statements, and maintained confidentially.

(ii) A similar monthly updated register, except that repayments by and disbursements to individual loan recipients shall only be registered in summarized fashion.

3(f) Confidentiality. The Business Committee, the Oneida Liaison and any other tribal official or body authorized to hold or review individual Loan Fund records shall handle and maintain such records in a secure and confidential manner. All Loan Fund records shall be held and maintained separately from other tribal financial records.

Chapter 4

Eligibility and Requirements for Application and Receipt of a Program Loan

4(a) To be eligible for a Program loan a business must be owned by an Oneida tribal member or members and located within the Oneida Indian Reservation or elsewhere in the State of Wisconsin.

(i) A business is to be deemed owned by a tribal member if the member(s) own and control at least 51% of the business venture.

(iv) Residential building construction or reconstruction (unless such reconstruction is intended to convert the building to a business or industrial operation).

(v) Routine maintenance.

(vi) Professional services such as feasibility and marketing studies, accounting, management services, and other similar services. Legal services for closing a Program loan are eligible.

(vii) Other activities that the Bank's Loan Review may identify during the administration of the loan program.

4(f) Ineligible Businesses. The following businesses shall not be eligible for Program loans

(i) Tribal Enterprises and tribally-owned or managed corporations.

(ii) Speculative investment companies, i.e., marketing securities and related private investments such as mutual funds, hedge funds, etc.

(iii) Real Estate investment companies

(iv) Lending institutions

(v) Gambling operations. (Exempt are service, equipment, and supply firms, subject to review and approval of primary lender).

(vi) Non-public recreation facilities.

4(g) Loan Priority. In the event that qualifying loans requested exceed available funds, the following criteria will be used to determine which businesses will receive a loan:

(i) Eligibility of the applicant(s).

(ii) Eligibility of the project to be undertaken.

(iii) The extent to which private funds are to be contributed to the project.

(iv) The extent to which the loan can be secured.

(v) Evidence of ability to repay the loan.

(vi) Size of the loan requested.

(vii) Timing of the proposed expenditures.

(viii) Completeness of loan application.

(ix) Completeness and quality of the business plan.

(x) Other factors affecting the business or deemed appropriate and identified by the Bank.

Chapter 5

(i) Where the loan manager finds the application is complete and meets the minimum requirements herein, he/she shall forward the completed application and attached documents to the Bank's Loan Review Committee for decision.

(ii) Where a submitted application is incomplete the loan manager shall inform the applicant of the deficiencies and render such assistance as is feasible toward the completion

6(e) Formal Review. The Bank's Loan Review Committee shall meet to review an application within the Bank's normal scope of business, but no later than 30 days following its receipt of the completed application.

(i) The Committee shall decide whether the business venture is acceptable for funding, unacceptable, or that further documentation, modification or clarification is needed.

(ii) Where the Committee decides either that the venture is acceptable or unacceptable for funding, the loan manager shall promptly notify the applicant and forward a copy of the decision to the Oneida Liaison.

(iii) Where the decision is to reject the loan request, the notice of decision shall state the reasons for rejection and indicate that the loan manager is available to meet with the applicant to identify and explore alternative funding sources.

(iv) Where the Committee requires clarification, modification or further documentation, the loan manager shall promptly notify the applicant of the additional requirements in writing.

Chapter 7

Loan Closing Procedures

Prior to releasing loan funds, the following documentation must be in place or provided at the closing.

7(a) Loan Agreement. The Bank shall prepare and execute a loan agreement, employing its standard loan agreement, with such modifications as are required by these policies and procedures.

7(b) Promissory Note. A promissory note shall be prepared by the Bank, and executed at the closing by the borrower, which note shall be dated; shall reference the agreement between the Bank and the loan recipient; and shall specify the amount and terms of the loan funds approved and to be delivered.

7(c) Security Documentation. Mortgage, security instruments, third party and/or personal guarantees provided as security for the loan shall be prepared by the Bank and executed by the borrower at the time of the loan closing. Following the closing the Bank shall promptly record with the Register of Deeds or Secretary of State all instruments subject to recording and, where not returned, place a copy in the Loan Closing File, including, where applicable, the following:

- (i) Mortgage and/or security agreement.
- (ii) UCC searches and filing
- (iii) Guarantee agreements.

(i) The loan manager shall not schedule the closing until he/she receives evidence that the documentation the borrower is required to provide is already in place or assurance that it will be available at the closing.

(ii) Where circumstances require, the loan manager may supplement the list of documents the borrower is to provide, and reschedule the closing to provide additional time.

(iii) In addition to the documents the borrower is required to provide, the loan manager shall list the documents the borrower will be required to execute, and other documents he will be furnished at the time of closing. manager will schedule a loan closing. All document will be executed before funds are disbursed, and mortgages and UCC Statements will be recorded With the Register of Deeds and the Secretary of State.

7(f) Repayment Schedule. No later than the closing a loan repayment or amortization schedule shall be prepared by the Bank, and dated and signed by all parties involved. The repayment schedule shall be attached to all parties' copies of the agreement.

7(g) Copies of the loan closing documents and an amortization schedule will be provided to the loan recipient, along with an invoice, if applicable, for loan closing and servicing fees.

7(h) The Bank shall provide the borrower with a list of all documentation he/she will be required to provide prior to or at closing. Such notice shall be provided at least twenty (20) days prior to closing unless such requirement is waived in writing by the borrower.

Chapter 8

Post-Closing Procedures

8(a) Financial Statements. During the duration of the loan the Bank shall require and review the borrower's periodic business financial statements, together with applicable tax returns. Such periods shall be no longer than annual.

8(b) Progress Reports. During the duration of the loan the Bank shall require and review the borrower's periodic business progress reports. Such periods shall be no longer than annual.

8(c) Site Visits. The Bank shall schedule periodic site visits, particularly following receipt of financial statements and progress reports, for purposes of verifying information supplied by the borrower, and to continue to monitor the expenditure of both Page loan proceeds, other loan proceeds, grants and private funds used as leverage to comply with the requirements of contributions to the project funds. At such time the borrower shall be available and make his/her business premises, records and equipment available for inspection by the Bank's authorized agents.

(i) A report shall be prepared after each site visit, which shall highlight any information that can help in rating the overall condition/risk of the loan.

8(d) Periodic Loan Reviews. All loans are to be reviewed on an annual basis, and at such other times as may be deemed necessary by the Bank. The review should follow receipt of the fiscal year-end financial statements, the year-end progress reports, and site visit reports. A written report of the loan review shall be prepared and shall address the following: timeliness of monthly payments; condition of collateral securing the loan; status of security documents; overall financial condition of the business; the presence of material liens or lawsuits; and violations of

should there be any other deficiency in the performance of loan covenants, the Bank shall notify the borrower in writing of the deficiency and the action that may be taken should the payment not be made or the other deficiency cured.

(i) The loan administrator shall contact the borrower to determine the reason for the late payment or other deficiency.

(ii) In the case of an overdue payment the loan administrator may contact other participating lenders to determine if their loans to the borrower are current.

(iii) In the case of an overdue payment, subsequent payments shall be applied first to late payment penalties, then to accrued interest and lastly to principal.

10(b) Where the business is experiencing ongoing problems with meeting its loan obligations the loan administrator shall meet and work with the borrower to identify changes that are needed to correct the problem(s), including possible restructuring or work-out of the loan to protect the Loan Fund's interest and meet the needs of the business.

10(c) Default. In the event that the loan administrator determines that the business' problems are too serious for Section 9(b) remedies to be feasible, and the loan is in default on any of the terms and conditions of the loan agreement, all sums due and owing, including penalties, shall, at the Bank's option, become immediately due and payable. In order to exercise this option, the Bank shall first provide the borrower and the Oneida Liaison with written notice specifying the following:

(i) The nature of the default.

(ii) The action required to cure the default.

(iii) A date, not less than thirty (30) days from the date of the notice, by which the default must be cured to avoid foreclosure or other collection action.

(iv) Any penalties incurred as a result of default of any terms or conditions of the loan agreement.

10(d) Collection and Foreclosure. In the event that neither the borrower nor the Tribe, acting pursuant to Section 3(d), cures the default within the prescribed time, the Bank may take such foreclosure or other collection action as it deems appropriate, acting pursuant to its ordinary policies and practices. All recovery in excess of the collection costs shall be deposited in the Loan Fund.

End.

*Public Hearing held on October 26, 2000
OBC Approval: 6-06-01-A.
Proposed Amendments, March, 2002*