

*Resolution 2011-003
Lower Brule Community Development Enterprise, LLC*

RESOLUTION TO APPOINT GAVIN CLARKSON AS BOARD MEMBER AND LIAISON, TO APPOINT OFFICERS, TO ESTABLISH BANK ACCOUNTS, TO AUTHORIZE SIGNATORS, TO INDEMNIFY CLARKSON AND ICKES, TO AUTHORIZE DEVELOPMENT OF OFFERING

WHEREAS, the Company is in the business of facilitating the channeling of capital into the Lower Brule Reservation and into enterprises of its members and its enterprises, including LBC Western Holdings, LLC; and,

WHEREAS, the Company has obtained a Department of the Interior guaranteed loan for up to approximately \$22,500,000 where it will serve as the Lender and LBC Western Holdings, LLC will serve as the borrower; and,

WHEREAS, the Company has successfully raised approximately \$3,400,000 as a bridge loan to operate Western Holdings while the Company raises the full amount of the Guaranty through a private offering to qualified investors in compliance with applicable securities laws; and

WHEREAS, the Company has been maintaining the funds with the trust account of its legal counsel until appropriate insured banking accounts are established; and,

WHEREAS, the Lower Brule Sioux Tribe and Lower Brule Corporation have established relationship with Wells Fargo Bank and its subsidiaries, as well as relationships with other federally insured banks; and,

WHEREAS, Dr. Gavin Clarkson has materially assisted the Company in obtaining the loan guaranty and in facilitating the raising of the bridge loan and will also facilitate the raising of the full \$22,500,000; and,

WHEREAS, R. Dennis Ickes is a key person to the process on behalf of the Company; and,

WHEREAS, David Brown has materially assisted the Company by preserving and protecting its assets and the assets of its affiliates during a period when no other person was willing or able to protect such assets and he did so without compensation; and,

WHEREAS, it is in the best interest of the Company to appoint Mr. Clarkson to the board of directors of the Company to serve as liaison to the loan guaranty unit of the Department of the Interior and such other agencies as assigned by the board, to appoint him as a vice-president of the Company, to indemnify Dr. Clarkson and Mr. Ickes to the maximum extent as agents of a tribal instrumentality, to establish bank accounts and

signatories, and to authorize the development of an offering to raise the maximum amount permitted under the Interior guaranty.

NOW THEREFORE BE IT RESOLVED THAT:

1. *Dr. Gavin Clarkson is hereby appointed as a member of the board of directors of the Company to serve as liaison to the loan guaranty unit of the Interior Department and such other duties as assigned by the board.*
2. *Dr. Clarkson and R. Dennis Ickes are indemnified to the same extent as officers and directors of the Company and as agents of an instrumentality of the Tribe and the Company. It is further intended that this provision be retroactive to the organization of the Company.*
3. *Dr. Clarkson is directed to open appropriate accounts at Wells Fargo Bank and at such other federally insured financial institutions as appropriate to safe guard the funds of the Company and to earn a fair return on such funds when possible and advisable.*
4. *Michael Jandreau, Boyd Gourneau, John McCauley, Darrell Middleton, Orville "Red" Langdeau, Gavin Clarkson shall serve as signatories to the accounts and be available to act on behalf of the Company with respect to such needs. Any two of such persons shall be required to sign withdrawals from said accounts.*
5. *The board ratifies the expenditures of funds heretofore expended for the purposes of paying the fees to the Department of the Interior for the guaranty, for payment of moving and storages expenses of property owned by LBC subsidiaries, for the payment of attorneys fees and costs for the development of the private offering for the bridge financing, for commissions owed to Hallmark Investments for raising funds for the bridge offering, for payment of an interim fee to David Brown for preserving and maintaining the assets of the Company and its affiliates, for travel to the December 20, 2010 meeting and for related incidental costs and fees.*

CERTIFICATION

I hereby certify that the foregoing resolution of the board of directors of Lower Brule Corporation was presented to a quorum on December 20, 2010, with the vote being four for, one against, none absent, and none not voting.


MICHAEL B. JANDREAU, CHAIRMAN
LBCDE, LLC


JOHN MCCAULEY, SR. SECRETARY/TREASURER
LBCDE, LLC