

ORDINANCE OF THE OGLALA SIOUX TRIBAL COUNCIL
OF THE OGLALA SIOUX TRIBE
(An Unincorporated Tribe)

ORDINANCE OF THE OGLALA SIOUX TRIBE COUNCIL AMENDING THE OGLALA SIOUX TRIBE LIMITED LIABILITY COMPANY ACT, IN SUBPART 5.3 OF CHAPTER 44 OF THE LAW AND ORDER CODE TO INCLUDE LOW-PROFIT LIMITED LIABILITY COMPANIES (L3CS).

WHEREAS, the Oglala Sioux Tribe has adopted its Constitution and By-Laws by referendum vote on December 10, 1935, in accordance with Section 16 of the Indian Reorganization Act of 1934 (25 U.S.C. § 476), and under Article III of the Oglala Sioux Tribe Constitution, the Oglala Sioux Tribal Council is the governing body of the Oglala Sioux Tribe, and

WHEREAS, the Oglala Sioux Tribe did adopt Ordinance Number 07-25 on July 30, 2007 approving and adopting the Oglala Sioux Tribe Secured Transactions Act, codified as Parts 1-9 of Chapter 44 of the Law and Order Code (the "UCC"), and

WHEREAS, since the passage of Ordinance Number 07-25, there has been a development of a new kind of limited liability company ("LLC") called a "Low Profit Limited Liability Company" or "L3C" which is suited to attracting "Program Related Investments" from foundations that are tax exempt under the US Internal Revenue Code, and

WHEREAS, if the L3C type of LLC is adopted as part of the Oglala Sioux Tribe LLC act, it can be used by any party seeking to bring government, tribal, community, nonprofit, foundation and private investor resources together for a public interest project such as low income housing, job creation, building rehabilitations and renewable energy, and

WHEREAS, it is proposed that Subpart 5.3, specifically Section 44-5-3.01 (9) be amended to be re-numbered as subsection 9(i) and be amended to add a new subsection 9 (ii) which shall provide a statutory definition for the L3C, now

THEREFORE BE IT ORDAINED, that the following amendments to Subpart 5.3 described above are hereby approved and adopted in all respects and that Subpart 5.3 containing the Oglala Sioux Tribe LLC Act is hereby amended to re-number prior Section 44-5-3.01 (9) as "Section 44-5-3.01 (9) (i)" and to add a new Section 44-5-3.01 (9) (ii) which shall be as follows:

- (ii) "L3C" or "Low-profit limited liability company" means a limited liability company that is organized for a business purpose that satisfies and is at all times operated to satisfy each of the following requirements:
- (A) The Company significantly furthers the accomplishments of one or more charitable or educational purposes within the meaning of Section 170(c)(2)(B) of the Internal Revenue Code of 1986, 26 U.S.C. Section 170(c)(2)(B); and would not have been formed but for the Company's relationship to the accomplishment of charitable or educational purposes.
 - (B) No significant purpose of the Company is the production of income or the appreciation of property; provided, however, that the fact that a person produces significant income or capital appreciation shall not, in the absence of other factors, be conclusive evidence of a significant purpose involving the production of income or the appreciation of property.
 - (C) No purpose of the Company is to accomplish one or more political or legislative purposes within the meaning of Section 170(c)(2)(D) of the Internal Revenue Code of 1986, 26 U.S.C. Section 170(c)(2)(D).

If a Company that met the definition of this subsection (9)(ii) at its formation at any time ceases to satisfy any one of the requirements, it shall immediately cease to be a low-profit LLC, but by continuing to meet all the other requirements of this subpart 5.3, will continue to exist as a limited liability company. The name of the Company must be changed to be in conformance with this Act.

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

I, as the undersigned Secretary of the Oglala Sioux Tribal Council of the Oglala Sioux Tribe, hereby certify that this Ordinance was adopted by a vote of: 14 For; 0 Against; 0 Abstain; and 1 Not Voting; during a SPECIAL SESSION held on the 2ND day of JULY, 2009.

ORDINANCE NO. 09-23
Page Three

Rhonda Two Eagle
RHONDA J. TWO EAGLE
Secretary
Oglala Sioux Tribe

A-T-T-E-S-T:
Theresa Two Bulls
THERESA B. TWO BULLS
President
Oglala Sioux Tribe

