



## **HO-CHUNK NATION LEGISLATURE**

*Governing Body of the Ho-Chunk Nation*

### **HO-CHUNK NATION LEGISLATURE CONSENT AND DIRECTION TO DISSOLVE LYNWOOD PROPERTIES, LLC**

#### **RESOLUTION 11-08-11V**

**WHEREAS,** on November 1, 1994, the United States Secretary of the Interior approved a new Constitution for the Ho-Chunk Nation, formerly known as the Wisconsin Winnebago Tribe; and

**WHEREAS,** the Ho-Chunk Nation ("Nation") is a federally recognized Indian Tribe, pursuant to the Indian Reorganization Act of 1934; and

**WHEREAS,** Article V, Section 2(a) of the Ho-Chunk Nation Constitution ("Constitution") gives the Ho-Chunk Nation Legislature ("Legislature") the power to make laws, including codes, ordinances, resolutions, and statutes; and

**WHEREAS,** Article V, Section 2(b) of the Constitution grants the Legislature the power to establish Executive Departments, and to delegate legislative powers to the Executive branch to be administered by such Departments, in accordance with the law; any Department established by the Legislature shall be administered by the Executive; the Legislature reserves the power to review any action taken by virtue of such delegated power; and

**WHEREAS,** Article V, Section 2(d) of the Constitution grants the Legislature the power to authorize expenditures by law and appropriate funds to the various Departments in an annual budget; and

**WHEREAS,** Article V, Section 2(i) of the Constitution grants the Legislature the power to negotiate and enter into treaties, compacts, contracts, and agreements with other governments, organizations, or individuals; and

**WHEREAS,** Article V, Section 2(l) of the Constitution grants the Legislature the power to enact laws to manage, lease, permit, or otherwise deal with the Nation's lands, interests in lands or other assets; and

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**WHEREAS**, Article V, Section 2(q) of the Constitution grants the Legislature the power to issue charters of incorporation, to charter corporations and other organizations for economic or other purposes, and to regulate their activities; and

**WHEREAS**, Article V, Section 2(x) of the Constitution grants the Legislature the power to enact any other laws, ordinances, resolutions, and statutes necessary to exercise its legislative powers delegated by the General Council pursuant to Article III including but not limited to the foregoing list of powers; and

**WHEREAS**, the Legislature established Lynwood Properties, LLC in 2006 via Resolution 1-4-06F and also approved the Articles of Operation and Organization for Lynwood Properties, LLC (“Lynwood LLC”) within the same resolution; and

**WHEREAS**, under Resolution 1-4-06F, and under the HCN Limited Liability Company Act and the HCN Business Corporation Act, the Nation is the sole shareholder and member of the Lynwood LLC; and

**WHEREAS**, under Resolution 5-19-09I, the Legislature delegated authority to the Nation’s Executive Branch over all management and operation of the Lynwood LLC, including re-establishing the LLC’s Board of Directors and other day-to-day operations of the LLC’s business; and

**WHEREAS**, the Lynwood LLC Board of Directors was not re-established and currently does not operate or oversee the operation of the LLC’s business; and

**WHEREAS**, the Nation has retained Joseph Eve as outside auditors for several years to audit the Nation’s business operations, including those of the Lynwood LLC; and

**WHEREAS**, the reports generated by Joseph Eve regarding Lynwood LLC, and the operation of the Ho-Chunk Sports & Expo Center (“Expo Center”) in Lynwood, Illinois, demonstrate several deficiencies in the internal controls of the LLC and the daily business functions of the Expo Center; and

**WHEREAS**, the audited financial statements generated by Joseph Eve, regarding the Lynwood LLC and the operation of the Expo Center, show that the business has been operated at a loss consistently and continues to pose a considerable risk of financial loss and liability to the Nation; and

**WHEREAS**, pursuant to the Nation's Limited Liability Act and Business Corporation Ordinance, the Legislature acts as the shareholder when the Nation is the sole shareholder of a Nation-incorporated LLC;

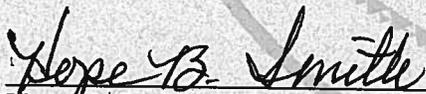
**NOW THEREFORE, BE IT RESOLVED** that the Legislature, based on the findings of Joseph Eve and the continued operational loss of Lynwood LLC and the Nation's Expo Center, deems it necessary to begin the process of dissolving the LLC and winding up the business of the LLC and Expo Center; and

**BE IT FURTHER RESOLVED** that the Legislature, acting for the sole shareholder, and pursuant to its Constitutional authority and the authority within the Nation's Limited Liability Act and Business Corporation Ordinance, expresses its consent, and gives direction, to dissolve the Lynwood LLC; and

**BE IT FURTHER RESOLVED** that the Legislature will continue the process outlined in the Limited Liability Company Act and Business Corporation Ordinance to move the dissolution process along.

#### CERTIFICATION

I, the undersigned, as Tribal Secretary of Ho-Chunk Nation, hereby certify that the Legislature of the Ho-Chunk Nation, composed of **13 members** of whom 7 constituting a quorum were present at a meeting duly called and convened and held that on the **8<sup>th</sup> day of November, 2011**, adopted the foregoing resolution at said meeting by an affirmative vote of **4 members, 2 opposed, and 1 abstaining**, pursuant to the Article V, Section 2(a) and (x) of the Constitution of the Ho-Chunk Nation, approved by the Secretary of the Interior on November 1, 1994, and that the foregoing resolution has not been rescinded or amended in any way. I further certify that this is a verified copy of said resolution.

  
Hope B. Smith, Tribal Secretary

  
Date