



BLUE LAKE RANCHERIA

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ORDINANCE NO. 06-02

**AN ORDINANCE OF THE BUSINESS COUNCIL OF
THE BLUE LAKE RANCHERIA AUTHORIZING
BUSINESS ENTITIES WHOLLY OWNED BY THE
TRIBE TO CONVERT TO A DIVISION OF THE
BLUE LAKE RANCHERIA ECONOMIC
DEVELOPMENT CORPORATION, A FEDERALLY
CHARTERED CORPORATION OF THE TRIBE**

The Business Council of the Blue Lake Rancheria hereby ordains as follows.

A new Article 3, entitled: Conversions, is hereby added to Title 1, Chapter 1 of the Blue Lake Rancheria Tribal Code to read as follows:

Article 3

CONVERSIONS

§ 2.1.3. 01. Conversion of another business entity into a division of Blue Lake Rancheria Economic Development Corporation.

Any business entity wholly owned by the Tribe, whether an unincorporated government instrumentality, business division or political subdivision, a corporation, a limited liability company, partnership, limited partnership or trust, may be converted into a division of the Blue Lake Rancheria Economic Development Corporation (“BLREDC”), as authorized by Article VIII, Section E of the Federal Charter issued on Dec. 29, 2004 for BLREDC by the Secretary of the United States Department of Interior pursuant to 25 U.S.C. §477.

§ 2.1.3.02. Approval of plan of conversion

(a) The governing body of the tribally owned business entity that desires to convert to a BLREDC division under this article shall, in accordance with the governing documents of that entity, approve a plan of conversion which contains the following:

- (1) The name of the business entity seeking the conversion.

(2) The name of the BLREDC division after conversion, which may be the same as the name of the entity before the conversion with the added phrase, “a division of the BLREDC.”

§ 2.1.3.03. Certificate or statement of conversion

(a) Upon conversion, the approved certificate of conversion shall be filed with the Secretary of the Tribe.

(b) Any certificate of conversion shall be executed and acknowledged by an officer authorized by resolution of the converting entity’s governing body, and shall set forth all of the following:

(1) The name of the converting entity.

(2) A statement that the principal terms of the plan of conversion were approved by the governing body of the converting entity in accordance with that entity’s governing documents.

(3) The name of the converted BLREDC division.

(c) The filing with the Secretary of the Tribe of a certificate of conversion shall have the effect of converting the entity into a division of BLREDC for all purposes.

§ 2.1.3.04. Rights and liabilities

(a) Except as set forth in subsection (c) below, an entity that converts into a division of the BLREDC pursuant to this article is for all purposes the same entity that existed before the conversion.

(b) Upon a conversion taking effect, all of the following apply:

(1) All the rights and property, whether real, personal, or mixed, of the converting entity are vested in the converted division and shall be held separate and apart from all other rights and property of the BLREDC.

(2) All debts, liabilities, and obligations of the converting entity continue as debts, liabilities, and obligations of the division and shall be separate and apart from the debts, liabilities and obligations of the BLREDC.

(3) All employees of the converting entity shall remain the employees of the BLREDC division.

(4) All authorizations, identification numbers, and accounts held by the converting entity shall remain in full force and effect for the benefit of the new BLREDC division to the extent authorized or permitted by law.

(5) All rights of creditors and liens upon the property of the converting entity shall be preserved unimpaired and remain enforceable against the division to the same extent as against the converting entity as if the conversion had not occurred.

(6) Any action or proceeding pending by or against the converting entity may be continued against the division as if the conversion had not occurred.

(c) Except as expressly stated above, the division will operate as a division of BLREDC in accordance with the BLREDC Corporate Charter and the BLREDC Bylaws and the division shall have the status of a federally chartered corporation for all purposes.

CERTIFICATION

We, the undersigned Chairpersons and Secretary of the Business Council of the Blue Lake Rancheria hereby certify that the foregoing resolution was adopted at a duly called meeting of the Blue Lake Rancheria Business Council with a quorum present on Dec. 11, 2006, by a vote of 5 for, 0 against, 0 abstaining and 0 absent.

Dated: 12/11/2006

Claudia Brundin
Claudia Brundin, Chairperson

Dated: 12/11/2006

Melanie Shelanskey
Melanie Shelanskey, Secretary