



UNITED SOUTH AND EASTERN TRIBES, INC.

USET Resolution No. 2001:063

**ENDORSEMENT OF PROPOSED NON-PROFIT
PURCHASING COOPERATIVE**

WHEREAS, United South and Eastern Tribes, Incorporated (USET) is an inter-tribal organization comprised of twenty-four (24) federally recognized tribes; and

WHEREAS, the actions taken by the USET Board of Directors officially represent the intentions of each member tribe, as the Board of Directors comprises delegates from the member tribes' leadership; and

WHEREAS, the Oneida Indian Nation proposes to establish a non-profit purchasing cooperative, called "Four Directions Purchasing, Inc." for purposes of assisting tribes in leveraging their purchasing power as a block, as more fully described in the attached proposal; and

WHEREAS, Four Directions Purchasing, Inc. will allow tribes to: (a) acquire goods and services at lower prices, (b) pursue new economic initiatives with both Indian and non-Indian enterprises, and (c) enhance their status, as a group, in the commercial sector; therefore, be it

RESOLVED that the USET Board of Directors hereby endorses Four Directions Purchasing, Inc. and encourages each of its members to consider joining this tribally-owned, non-profit purchasing cooperative.

CERTIFICATION

This resolution was duly passed at the USET Semi-Annual Meeting, at which a quorum was present in Marksville, LA, on Thursday, May 24, 2001.

Keller George, President
United South and Eastern Tribes, Inc.

Beverly Wright, Secretary
United South and Eastern Tribes, Inc.

Four Directions Purchasing, Inc.

A Proposal for a Non-Profit Purchasing Cooperative

Objectives: Establish a non-profit purchasing cooperative for purposes of assisting Indian nations in leveraging their purchasing power as a block. Although each participating nation will benefit from being able to acquire goods and services at lower prices, one of the cooperative's goals is to assist disadvantaged Indian tribes by enhancing their status as purchasing entities and providing them with new business possibilities, such as warehousing and brokerage spin-off businesses that may result from the cooperative's purchasing position. **Four Directions Purchasing, Inc. is based on a very simple and familiar principle: "There is Strength in Unity"**

Legal Structure: Four Directions Purchasing, Inc., will be formed as a not-for-profit corporation established under the corporate law of the Oneida Indian Nation. This structure has been recommended because a tribal corporation enjoys certain tax benefits and is not subject to the same level of state interference and regulation as are state-chartered corporations.

Membership: Virtually all Indian nations will have the opportunity to join Four Directions Purchasing, Inc. Currently, the Oneida Nation, the Pequot Tribe and the Mohegan Tribe have agreed to join the cooperative. The Oneida Nation is willing to bear the cost of the organization's start-up expenditures.

Operations: Four Directions Purchasing will negotiate, on behalf of its members, with suppliers of various goods and services for reduced prices and other benefits available provided to those companies and organizations that purchase products in large quantities. It is anticipated that the Internet will be utilized extensively to solicit bids and other information from prospective vendors, similar to the approach adopted by the major automobile manufacturers. In addition, Four Directions Purchasing is contemplating the issuance of an affinity credit card that will generate additional benefits and opportunities for each of its members.

Management: The cooperative will be managed by a Board of Directors. Each member nation will have one seat on the Board.

To Join: An Indian nation that wishes to be considered for membership in the Four Directions Purchasing, Inc. should simply do the following: Send a letter to Ray Halbritter, Nation Representative of the Oneida Nation, requesting a participation application and identifying who, within your tribe, will be contact person for this project. Shortly thereafter, you will receive the necessary information, along with copies of the cooperative's articles of incorporation and by-laws.

Four Directions Purchasing, Inc. will be convening a meeting of its members soon to review the process of negotiating reduced prices for the goods and services they intend to collectively purchase. An Indian nation may join Four Directions Purchasing, Inc. at any time; however, a nation that applies after June 30, 2001, may not be able to participate in the initial bulk purchasing cycle.

If you have questions concerning this proposal, please feel to contact either Eric Facer (202/4640400) or Peter Golia (315/361-8582) at any time.