CB - 104 - 26

TO AMEND THE CHOCTAW NATION BANKING, SAVINGS, AND INVESTMENT ACT

IN THE TRIBAL COUNCIL OF THE CHOCTAW NATION OF OKLAHOMA

JAMES DRY INTRODUCED THE FOLLOWING COUNCIL BILL

A COUNCIL BILL

TO AMEND the Choctaw Nation Banking, Savings, and Investment Act after consideration of the significant growth in recent years of Tribal revenues and Tribal funds.

WHEREAS, in CB-61-11, the Tribal Council (the "Council") of The Choctaw Nation of Oklahoma (the "Nation") approved The Choctaw Nation Banking, Savings and Investment Act (the "Act");

WHEREAS, in CB-137-15, Council approved amendments and restated the Act;

WHEREAS, in CB-45-24, Council approved amendments and restated the Act.

WHEREAS, The Nation is currently taking action to improve its financial sustainability and expanding its various commerce and gaming operations to maximize revenue and also applying portions of the revenue to other ventures, including through short-term investments, to diversify its revenue base and provide the necessary liquidity to sustain such operations;

WHEREAS, Council considers it unwise to commit all Tribal revenues to spending, given that their source is uncertain and subject to change over time;

WHEREAS, Council finds it in the best interest for the Nation to set aside a portion of Tribal revenues in permanent funds, which represents effective stewardship and yet another building block toward Tribal self-sufficiency, to ensure quality services and opportunities for future generations;

WHEREAS, it is the intent of Council to appropriate a portion of revenues each year for contribution to a permanent fund with such contributions considered irrevocable, subject to emergency provisions set forth herein; and

WHEREAS, Council has determined it is in the best interests of the Nation to modify certain provisions of the Act.

TO AMEND THE CHOCTAW NATION BANKING, SAVINGS, AND INVESTMENT ACT

THEREFORE, BE IT ENACTED by the Tribal Council of The Choctaw Nation of Oklahoma that this Act be cited as approval for the Amended Choctaw Nation Banking, Savings, and Investment Act, as set forth herein, and that the Act be replaced in its entirety by such Amended Choctaw Nation Banking, Savings, and Investment Act.

SECTION 1. AMENDATORY The Choctaw Nation Banking, Savings, and Investment Act, Title 1, is amended to read as follows:

Section 101. Adoption of Fiduciary Standards

The Chief of the Nation (the "Chief") shall, taking into account all appropriate industry and fiduciary standards, adopt in writing necessary polices and processes to assure effective management, protection, and investment of the monetary assets of the Nation.

SECTION 2. AMENDATORY The Choctaw Nation Banking, Savings, and Investment Act, Title 2, is amended to read as follows:

Section 102. Limited Waivers of Sovereign Immunity

a. Notwithstanding anything to the contrary set forth in any Act, Council Bill approved by Tribal Council, or the organizational documents of any Subsidiary (as defined below), prior to or after the date of this Act, Chief or his/her authorized designee is hereby authorized to approve limited waivers of sovereign immunity (each a "Waiver") for the Nation, or any of the Nation's agencies, subsidiaries or affiliates (each a "Subsidiary"), within service agreements with banking institutions, institutional brokerages, trust companies or other professional service providers utilized in the custody and management of the Nation's deposits and investments, the extent of which Waiver(s) shall be determined by Chief or his/her authorized designee in his or her sole discretion; provided, however, no Waiver shall be valid unless and until set forth in a writing approved and executed by Chief or his/her authorized designee. Subsidiaries shall include any corporation, limited liability company, partnership, or other legally distinct and separate entity under the direct or indirect ownership of the Nation, regardless of the jurisdiction in which such entity was formed.

b. Nothing contained in this Act or in any Waiver is intended to, nor shall it be construed to, benefit any party other than as specified in any particular Waiver.

c. Nothing contained in this Act or in any Waiver is intended to, nor shall it be construed to, waive the sovereign immunity of the Nation or any Subsidiary except as specifically set forth in any Waiver.

d. Nothing contained in this Act or in any Waiver is intended to, nor shall it be construed to, waive the sovereign immunity of any official acting on behalf of the Nation, any Subsidiary, and within the scope of such individual's official authority.

e. Any monetary recovery obtained through judicial action under any Waiver shall be limited to ~~the assets~~ certain contractual liabilities and limitations of the party granting the applicable Waiver and shall not give any party any right to recover from the assets of any party not expressly submitting to or issuing such Waiver.

f. Nothing contained in this Act shall authorize Chief or his/her authorized designee to waive the sovereign immunity of the Nation with respect to issuance of debt, except as authorized pursuant to Title 3.

SECTION 3. AMENDATORY The Choctaw Nation Banking, Savings, and Investment Act, Title 3, is amended to read as follows:

Section 103. Authorization of ~~Permanent~~ Sustainability Fund

a. Fund Authorization: There is hereby authorized the Choctaw Nation of Oklahoma ~~Permanent Fund~~ Sustainability Fund (the "Fund"), made up of a collection of existing investment accounts, including but not limited to specifically, the Permanent Fund, Unallocated Long Term (ULT), Sovereign Wealth Investment Fund (SWIF), and Goldman Option Advisory Service (GOAS) funds, which may be amended from time to time but only by and through a future, approved Council Bill. The Fund shall be ~~utilized~~ consolidated to account for all resources contributed to it, including revenues earned on fund assets, under a single ledger. The Fund is established for the purpose of ensuring the availability of resources to finance essential Tribal government services and programs. ~~The Fund shall be accounted for and reported as a permanent fund.~~

b. Contributions to the Fund: Primary contributions to the Fund shall be by budget appropriation from available revenues of the Nation by Tribal Council together with all earnings thereon from the time of such contribution. Secondary contributions to the Fund may be appropriated from available excess revenues but shall obtain the characterization of the Fund, including all future earnings thereon. In addition, the Fund is authorized to accept such donations or grants to the Fund as are made by individuals, foundations, and other entities, provided that the use of such donations or grants are restricted only by policies of Tribal Council.

TO AMEND THE CHOCTAW NATION BANKING, SAVINGS, AND INVESTMENT ACT

c. Management of Fund Assets: Chief shall establish policies for the management of assets placed in the Fund, including appropriate custody and investment directives. Assets of the Fund may be held and invested in common with other Nation funds having similar investment objectives and constraints, provided that net assets and earnings are properly allocated and reported for the Fund.

d. Authorized uses of the Fund: The single authorized use of the Fund, subject to emergency provisions, shall be to provide investment earnings to finance governmental activities and services of the Nation.

e. Authorization of use of Fund Revenues: The authorization of use of Fund revenues (investment earnings) shall be by appropriation pursuant to Tribal budget. Amounts appropriated for use pursuant to the annual budget shall be transferred to the General Fund, to finance authorized budget expenditures. Expenditures may be matched to Fund revenues, but shall not be required, nor shall any determination of actual spending be required.

f. Amount available for appropriation: The amount of Fund revenue appropriated for use in any fiscal year shall not exceed an amount that is equal to the most recently reported Fund balance times the sum of the average annual projected investment earnings of the Fund as stated within the appropriate investment policy statement minus the rate of inflation for the preceding year. Inflation shall be measured based on the change in the Consumer Price Index, U.S. City Average for All Urban Consumers, published by the United States Department of Labor or other inflation measure selected by Chief.

g. Other Funding Sources:

i. Margin Borrowing: Provided the Fund is custodied in an institutional brokerage account governed by Regulation T limits on margin borrowing, Chief may authorize margin borrowing in the Fund for the following purposes:

a. If funds are needed for immediate liquidity and current investments are not sufficiently liquid to clear a required wire or check redemption; or

b. In order to invest in short-term secure instruments that have a yield two percent or greater above the margin borrowing rate.

ii. Leverage of Fund Assets: Tribal Council may assign or pledge fund assets to Tribal creditors in order to secure bridge loans for Tribal projects at competitive rates or to provide debt reserves to assure issuance of a required loan while awaiting other assured funding.

iii. Third-party Borrowing

iv. Bond Issuance

v. Other Unrestricted Cash and/or Investments

h. Emergency use of the Fund:

In the event Tribal Council determines that a financial emergency exists, the severity of which threatens life, property, or the financial stability of the Nation, Tribal Council may, by affirmative vote of not less than 8 members of Tribal Council, declare an emergency and approve emergency appropriations from the Fund.

In the event emergency expenditures are made from the Fund, Tribal Council shall appropriate from available Tribal revenues to reimburse the Fund, as soon as such revenues become available.

i. Implementation: Chief is authorized to take all necessary actions to implement this Act as soon as practical.

SECTION 4. NEW LAW The Choctaw Nation Banking, Savings, and Investment Act, Section 104, is added as New Law to read as follows:

Section 104: Authorization of Liquidity Management

a. General Fund Requirements. The Nation's Treasury Department shall endeavor to maintain certain funding levels across its' balance sheet as necessary to meet the operational and budgetary needs, in accordance with those such standards authorized by Chief or his/her designee, as amended from time to time.

i. Treasury shall forecast the anticipated funding needs to meet budgetary demands for the General Fund and any sub-accounts for the forward-rolling twelve-month period. Funds maintained within the General Fund that are not immediately required but reasonably anticipated within the forward-rolling twelve months shall be accounted for in the aggregate as a Liquidity Pool.

ii. Liquidity Pool funds are authorized to be invested, including through transfer of custody and control of such funds, within various subaccounts and subject to distinct investment objectives, allocations, and durations, in accordance with the standards set forth herein.

iii. Liquidity Pool revenues (investment earnings) shall be maintained and transferred to the General Fund with all applicable invested-principal funds, to finance authorized budget expenditures.

iv. Liquidity Pool funds shall be independently accounted for, in accordance with established policies, and reported to the Tribal Council Finance Committee upon request.

b. All Liquidity Management investments shall be subject to the then-current Investment Policy Statement as approved by Chief with consent of the investment committee, as amended from time to time.

Section ~~104~~ 105: Rescission of Previous Acts

Previous Acts of Tribal Council governing banking and investments, except any provisions of such Acts pertaining to or relied upon by any existing agreements of the Nation, are hereby rescinded and superseded by this Act. Any provisions of former Acts pertaining to or relied upon by agreements in effect as of the date of the Act shall remain in effect only for the duration of such existing agreements.

TO AMEND THE CHOCTAW NATION BANKING, SAVINGS, AND INVESTMENT ACT

CERTIFICATION

I, the undersigned, as speaker of the Tribal Council of the Choctaw Nation of Oklahoma, do hereby certify that the Tribal Council is composed of twelve (12) seats. Eight (8) members must be present to constitute a quorum. I further certify that ___twelve___________ (12) members answered roll call and that a quorum was present at the Regular Session of the Tribal Council in Tvshka Homma, Oklahoma on September 12, 2026. I further certify that the foregoing Council Bill CB-_104_ -26 was adopted at such meeting by the affirmative vote of ____twelve______ (12) members, ____zero______ (0) negative votes, and ____zero_______ (0) abstaining.

Thomas Williston, Speaker
Choctaw Nation of Oklahoma Tribal Council

James Dry, Secretary
Choctaw Nation of Oklahoma Tribal Council

Gary Batton, Chief
The Choctaw Nation of Oklahoma

Date: 9-14-26

 CID 20836

CB- -26

TO AMEND THE CHOCTAW NATION BANKING, SAVINGS, AND INVESTMENT ACT

Purpose/Need of Council Bill: This Council Bill seeks to modify certain provisions of the Banking, Savings and Investment Act, renaming a collection of permanent investment accounts as the Sustainability Fund and, further, providing authorization to engage in short-term investments to more effectively manage the Nation's liquidity across the General Fund. This Council Bill supports the Nation's Tribal Strategy: Strengthen Financial Growth and Economic Sustainability.

Title of Council Bill: To Amend and Restate the Choctaw Nation Banking, Savings, and Investment Act

Agency: Finance

Budget: N/A

Match Required: N/A

Requestor: Shawna Rumer, Senior Executive Officer, Finance