

**MARIANAS PUBLIC LAND TRUST
MPLT RESOLUTION 24-001**

**A Resolution Approving a Line of Credit Agreement
with the CNMI Government, in accordance with PL 23-12,
said Line of Credit having a Principal Amount of \$15,000,000.00
and to be Administered according to PL 23-12, the terms of
the proposed Line of Credit Agreement between MPLT and CNMI,
and such Additional Necessary Transactional Documents,
With Terms and Conditions**

RECITALS

WHEREAS, in July 2023, CNMI Governor Arnold I. Palacios, joined by House Speaker Edmund S. Villagomez and Senate President Edith I. Deleon Guerrero, submitted an investment proposal to MPLT for a proposed Line of Credit for the CNMI Government for interim bridge financing for Capital Improvement Projects (“CIP”) funded by the United States Economic Development Administration (“EDA”); and

WHEREAS, this proposal was subsequently supplemented with follow-up submissions to MPLT which became known collectively as the “LOC Proposal” and are included as Attachment “A” in the proposed Line of Credit Agreement (and hereto as Attachment 1); and

WHEREAS, MPLT recognizes that the LOC Proposal constitutes a public debt obligation for government operations or infrastructure, which have particular requirements under the CNMI Constitution, and that MPLT has set forth certain requirements from the CNMI Government through the Office of the Governor, Secretary of Finance, and the Office of the Attorney General, to ensure the propriety of the requested transaction and ensure capacity for payment; and

WHEREAS, recently the CNMI Government has enacted into law House Bill 23-77, SD1, now Public Law 23-12, establishing the legal framework for the proposed Line of Credit and requirements for the same which are sufficient, along with the requirements of the proposed Line of Credit Agreement and additional necessary transactional documents, to meet the requirements set forth by MPLT; and

WHEREAS, MPLT recognizes that the requirements of Public Law 23-12 nevertheless establish the proposed Line of Credit as a line of credit without direct security to MPLT, absent a separate assignment of income and/or a separate promissory note, for its funds disbursed to the CNMI according to its terms; and

WHEREAS, in its Investment Policy Statement, MPLT established within the Domestic Fixed Income Asset Class a class for Diversified Local Investments ("DLI"). DLIs are those investments which originate from within the CNMI without regard to each island. The touchstone of classification within DLI is that investment vehicles in this class may be unique or specially targeted towards the CNMI economy or market. With DLIs, MPLT seeks to structure or consider investment vehicles which provide minimal rates of market return with attending corollary benefits. Such corollary benefits may include, but are not limited to, economic development; government stabilization or stimulus programs; affordable housing programs; and scholarships. In the DLI class, the MPLT Trustees may allow for a prudent rate of return where the corollary benefits provide an attending quantifiable return to the CNMI community, particularly to persons of Northern Marianas Descent or benefit persons of Northern Marianas Descent; and

WHEREAS, per its Investment Policy Statement, MPLT considers DLIs to be a rarely considered exception and every DLI proposal must be compelling as to its mission and purpose and beneficial in its scope and impact to the people of the CNMI; and

WHEREAS, per its Investment Policy Statement, every DLI proposal under consideration shall, as part of the investment analysis, identify the source of repayment of a fixed-income security such as a mortgage; surety bond; promissory note; or other security as primary consideration. Evaluating the credit-rating or the risk of the DLI or its proposer is also necessary. MPLT also anticipates that such DLI's may not be marketable so that an "illiquidity premium" should be recognized or considered and added to the risk-adjusted rate.

WHEREAS, per its Investment Policy Statement, the MPLT Trustees have considered the following basic standards of review for investments by MPLT in DLI's which remain subject to the prudent investment standard and discretion of the MPLT Trustees including consultation with counsel; a thorough review and analysis by MPLT's financial consultant and/or investment manager as to the prospective DLI. The Trustees' analysis must also examine all economic factors and address any potential or actual conflicts of interest for MPLT or its Trustees. The analysis shall also give primary attention to risk-adjusted market rates of return with particular attention as to whether the DLI involves a significantly greater than prudent financial risk of loss.

WHEREAS, as part of its due diligence MPLT has also required additional conditions and terms upon the CNMI Government for the proposed Line of Credit, including:

- The conditions and terms set forth in Public Law 23-12, § 2:
 - § 101. Pursuant to N.M.I. CONST. ART. X Section 3, the CNMI Legislature authorizes a public debt and obligation to the Marianas Public Land Trust for Governor Arnold I. Palacios, through the Secretary of Finance and the Department of Finance, to enter into a Revolving Line of Credit with the Marianas Public Land Trust in an amount not to exceed \$15,000,0000 on the following terms and conditions:
 - (a) The term of the Revolving Line of Credit shall not exceed seven years (84 months) starting from the date of execution of the Revolving Line of Credit between MPLT and the Governor and the Secretary of Finance.
 - (b) The Office of the Governor and Department of Finance shall repay the Line of Credit as to any drawdowns no later than thirty (30) calendar days from the date of each drawdown.
 - (c) No further drawdowns shall be made unless and until the prior drawdown is satisfied or MPLT agrees to additional drawdowns.
 - (d) Any reimbursements received by the CNMI Department of Finance/Office of the Governor from the United States Economic Development Administration paid or remitted to the CNMI Government for CIP project advances that are covered in the MPLT-CNMI Revolving Line of Credit shall be paid directly to MPLT as settlement for the line of credit herein.
 - (e) The interest rate shall be 5.5% per annum.
 - (f) Because the Revolving Line of Credit is a public debt this legislation must be passed by two-thirds (2/3) of the members of the House of Representatives and the Senate before being signed into law. Further, the obligation for such a public debt shall not exceed ten percent (10%) of the total appraised value of the properties of the Commonwealth so that the Secretary of Finance

shall not execute the Revolving Line of Credit until the Secretary of Finance certifies, with the concurrence of the Attorney General, that this constitutional requirement is satisfied.

- (g) The Attorney General shall review the Revolving Line of Credit Agreement for legal sufficiency for the Governor and Secretary of Finance to enter into this transaction in order for the Revolving Line of Credit to be effective against the Commonwealth.
- (h) Transactional Documents. The Marianas Public Land Trust and the Commonwealth, acting through the Governor and the Secretary of Finance, shall execute the transactional financial documents for the Revolving Line of Credit through a line of credit agreement, assignment of income, and a Promissory Note. After such documents have been duly executed, MPLT shall authorize and commence any initial drawdown, subject to its terms and conditions, to the Department of Finance which shall be used for the CIP-approved or designated project bridge financing or advances, only.
- (i) The Secretary of Finance and the Office of the Governor shall issue a quarterly summary "MPLT Loan Report" which shall be a financial statement detailing the activities of the CNMI Government as to the CIP project advances and status. This MPLT Loan Report shall be submitted to all the members of the Legislature, the Office of the Public Auditor, the Office of the Attorney General, and a copy to MPLT.
- (j) Authorization to Defend, Hold Harmless, and Indemnify MPLT. The legislature hereby authorizes, as a condition precedent to the loan agreement being authorized herein, the Commonwealth Government, through the Executive Branch including the Secretary of Finance and Office of the Attorney General, to defend, hold harmless, and indemnify the Trustees of the Marianas Public Land Trust, individually and collectively, along with MPLT's staff, counsel and consultants for any suits, causes of action, litigation, and claims as well as any loss, liability, and expense whatsoever of any kind or nature including but not limited to attorneys' fees which may arise from or that are in any way related to the loan agreement which is the subject of this Act or the events

arising therefrom as to MPLT's actions in extending the line of credit. The Commonwealth shall pay for the cost of representation being authorized herein through the Department of Finance without cost to MPLT or provide representation by the CNMI Office of the Attorney General. In the event MPLT is compelled to engage its own counsel or representation of the Commonwealth, the Department of Finance shall reimburse MPLT for such costs and expenses. In the event the CNMI Government fails to reimburse or pay for such costs and expenses, MPLT may withhold further distributions of income until its expenses and costs are fully reimbursed.

- The conditions and terms set forth in the proposed Line of Credit Agreement required by MPLT include the following specific terms found in its ¶ 3:
 - A. MPLT hereby authorizes and establishes a Line of Credit account for the CNMI in the amount of \$15,000,00.00 (Fifteen Million Dollars).
 - B. **CNMI "EDA-Reimbursement Sweep Account": Required for establishment.** As a condition-precedent to any Advance, CNMI agrees that it shall open and establish an account at the Bank of Guam named or designated as the account into which EDA-reimbursements for project advances shall be deposited. Reimbursements for any and all EDA granted projects covered by this Agreement shall be deposited into that account which is named or identified as the "EDA-Reimbursement Sweep Account." No other accounts shall be established at any time during which this Agreement is in effect for the purpose of receiving EDA-reimbursements and the EDA-reimbursement funds shall, unless otherwise agreed to by MPLT, always be deposited into that CNMI-controlled account for the purposes of reimbursement to MPLT pursuant to the Line of Credit Agreement. CNMI shall allow, at a minimum "view access" by MPLT including its Fiscal Officer and Administrator as well as its Chairman and Treasurer for monitoring purposes and/or CNMI shall produce documents or information to MPLT within 24 hours of request for verification of an EDA-deposit or reimbursement transmittal.
 - C. As a condition precedent to the execution of the Line of Credit Agreement, the CNMI shall remit no less than \$4,000,000.00 to MPLT via wire transfer or deposit to MPLT's account. The CNMI agrees that such

funds are not security nor collateral in consideration for the Line of Credit.

- D. Interest on each sum drawn shall accrue as follows: at the rate of Five and One-half percent (5.5%) per annum, starting from the date such funds are disbursed (including the date of disbursement and the date of payment). If the principal amount is paid but the interest accrued has not been fully satisfied, interest shall continue to accrue on any amount due and unpaid including interest.
- E. The line of credit shall be for a period of seven (7) years or 84 months commencing April 29, 2024, and terminating April 29, 2031, if not earlier terminated according to the terms of this Agreement).
- F. At all times, all drawdown amounts at any time shall not exceed the cumulative sum of \$3,000,000.00 (Three Million Dollars). While the CNMI may draw in smaller increments such increments shall not exceed three (3) drawdowns of up to \$3,000,000.00 and once the number of drawdowns reach three (3) or total drawdowns reach \$3,000,000.00 there shall be no further drawdowns until that set of drawdowns is fully repaid inclusive of interest.
- G. CNMI shall pay in full the principal and interest on any amount drawn upon the Line of Credit no later than thirty (30) calendar days from the date of each drawdown.
- H. All drawdown requests shall be reviewed and released by MPLT on a date which shall be not later than seven (7) calendar days following receipt of written request therefore from the CNMI for such drawdown.
- I. The CNMI may prepay, in whole or in part, drawdowns received pursuant to this Line of Credit, and all interest accrued on any outstanding drawdowns at any time, without the prior written consent of MPLT and without payment of any premium or penalty. The CNMI may terminate or retire this Line of Credit Agreement at any time before the expiration of the 84-month period on the condition that it provide a minimum of sixty (60) days' written notice of termination, after which

time the Line of Credit Agreement shall terminate and may not be renewed nor extended.

- J. Pursuant to Public Law 23-12, CNMI shall use the funds received in this Agreement for the EDA grant programs and projects in Attachment "A." At no time may CNMI use the Line of Credit funds for any other project, obligation, debt or payment whatsoever.
- K. CNMI has represented to MPLT, a representation upon which MPLT has relied in consideration for this Agreement, that it will use the funds herein to pay contractors for project payments and thereafter seek reimbursement from EDA pursuant to its grant terms. Pursuant to Public Law 23-12 CNMI shall, as further specified in this Agreement, remit all payments from EDA for reimbursement to MPLT at all times to first satisfy the Line of Credit within each thirty (30) calendar day period as well as accrued interest due on the date of payment.
- L. CNMI shall execute a Promissory Note signed by the authorized representatives for CNMI, Governor Arnold I. Palacios and Tracy B. Norita, Secretary of Finance, for the amount of the Line of Credit of \$15,000,000.00 assuming liability to MPLT for the amount of the Line of Credit and pledging CNMI's assets pursuant to Article X of the CNMI Constitution and Public Law 23-12 to secure the Line of Credit.
- M. CNMI has informed that autonomous agencies or entities such as the Northern Marianas College, the Marianas Visitors Authority, the Office of Indigenous Affairs, NMI Technical Institute (excluding the CNMI Public School System) (referred to individually and collectively as an "Entity") are also receiving EDA grants and for which it has committed this Line of Credit Agreement to secure its reimbursements. While MPLT agrees that any such Entity may receive an Advance under and according to the terms of this Agreement, CNMI agrees it shall bear responsibility for the payment in full of the principal and interest on any such amount drawn upon the Line of Credit by or on behalf of the Entity no later than thirty (30) calendar days from the date of each drawdown and that a failure to pay the sums due for any such drawdown within the 30-calendar-day period shall, for the purposes of this Agreement, be treated as an equivalent failure by CNMI. In addition, prior to any such drawdown to or on behalf of an Entity, CNMI shall provide the following to MPLT at a minimum and provide further assurances or

execute further documents as needed to ensure that MPLT's interests are protected:

- i. An executed Memorandum of Agreement between the Entity and CNMI in which the Entity agrees to the terms and conditions of this Agreement. The Memorandum of Agreement shall be approved as to form and content by the CNMI Attorney General and by MPLT. The Memorandum of Agreement shall further:
 - a. Bind and commit the Entity to this Agreement with respect to the remittance of EDA-reimbursements;
 - b. Bind and commit the Entity to pay and bear liability for the interest accrued and to pay on the interest rate in this Agreement; and
 - c. Bind and commit CNMI to pay in full the principal and interest on any amount drawn upon the Line of Credit by or on behalf of the Entity no later than thirty (30) calendar days from the date of such drawdown.
- ii. If appropriate, a duly-authorized Resolution by the Entity's governing Board of Directors approving the Memorandum of Agreement and binding that Entity to this Agreement, without any reservations or limitations.

N. **ANNUAL BUDGET OF THE DEPARTMENT OF PUBLIC LANDS SUBJECT TO APPROPRIATION AND APPROVAL BY THE CNMI LEGISLATURE.** The CNMI, through the Office of the Governor agree that it shall, consistent with the Planning and Budgeting Act and Public Law 15-2 applicable to the CNMI Department of Public Lands, commit to and enforce an annual budgetary process for the CNMI Department of Public Lands ("DPL") consistent with the budgetary and appropriations process of an executive branch line agency. Such process shall ensure that DPL annually remits to MPLT moneys owed pursuant to article XI, section 5(g) of the NMI Constitution including ensuring that such process shall comply with footnote 5 of the NMI Supreme Court decision in *DPL v. Commonwealth*, 2010 MP 14, regarding the constitutional appropriation authority of the CNMI Legislature to

approve the annual fiscal year budget for DPL but which funds may only be appropriated by the Legislature for DPL expenses and operations, the net amounts which shall be remitted to MPLT.

O. Reprogramming Authority required for Governor to Reprogram Funds to pay on the Line of Credit any shortfall or delinquent amount.

Because the Line of Credit is unsecured by any property or income of the CNMI Government and due to the existing obligations to the NMI Settlement Fund and other Bond indenture agreements, the CNMI Legislature shall, as a condition of this Agreement, confirm 100% reprogramming authority to the Governor to reprogram any and all CNMI General Fund income for each of the fiscal years this Line of Credit Agreement is in effect (FY 2025 through 2031), all CNMI funds or resources to pay on any delinquent amount due under this Agreement which has not been satisfied by the EDA grant reimbursement. Such reprogramming authority to pay MPLT under this Agreement is subject to the Governor's obligation to honor and continue payments to the NMI Settlement Fund; any Bond obligations and any contractor covered in the EDA-funded projects in this Agreement so that there is no default under those obligations. Such reprogramming authority is required by MPLT and if the Legislature does not confer such reprogramming authority for any fiscal year for the years 2025 through 2032, MPLT may suspend or terminate this Agreement at its discretion or until such time as the Legislature confirms such 100% reprogramming authority.

P. Reporting by CNMI:

- (i) The Secretary of Finance and the Office of the Governor shall issue a quarterly report summary to the CNMI Legislature entitled "MPLT EDA Line of Credit Status Report" ("Report"). The first report is due the first quarter after the first disbursement and for each quarter until the Line of Credit expires or this Agreement is terminated.
- (ii) The Report shall be a financial statement detailing the activities of CNMI as to the CIP EDA-funded project advances and their status (progress; balance due; completion date and any issues). Each Report shall be submitted to all members of the Legislature, the Office of

the Public Auditor, the Office of the Attorney General and with a copy to MPLT.

- Q. As set forth in Public Law 23-12, CNMI through the Office of the Governor and Office of the Attorney General shall defend, hold harmless and indemnify the MPLT Trustees, individually and collectively, along with MPLT staff, counsel and consultants for any suits, causes of action, litigation, and claims as well as any loss, liability, and expense whatsoever of any kind or nature including but not limited to attorney's fees which may arise from or that are in any way related to this Line of Credit Agreement as to MPLT's actions in approving and granting this Line of Credit. To be clear, the obligation to defend, hold harmless and indemnify MPLT and its Trustees is for any suits for declaratory judgment or taxpayer suits claiming that Public Law 23-12 is unconstitutional or legally defective or that the Line of Credit Agreement violates any provision of the CNMI Constitution or CNMI law. The obligation to defend, indemnify and hold harmless does not include any suits against MPLT or its Trustees for breach of their fiduciary duty for prudent investments as set forth in Article XI Section 6 of the CNMI Constitution, which MPLT shall defend and be responsible for, at all times. CNMI shall pay for the cost of representation of such defense it is obliged and/or has agreed to provide under this Agreement and Public Law 23-12. In the event that MPLT is compelled or must engage its own counsel or representation for failure by CNMI through the Office of the Governor or Office of the Attorney General undertake such defense, CNMI through the Department of Finance shall reimburse MPLT for such costs and expenses. In the event CNMI fails to reimburse MPLT for such costs and expenses, MPLT may withhold further disbursements or advances until its expenses and costs are fully reimbursed.
- R. The CNMI shall furnish to MPLT, with reasonable promptness such data and information, financial and otherwise, concerning the CNMI including the CNMI Department of Public Lands as from time to time may reasonably be requested by MPLT for purposes of administering compliance with this Agreement.
- S. The CNMI, through the Secretary of Finance, shall remit all EDA-reimbursement funds it receives in its account including funds from all reimbursing entities within twenty-four (24) hours of receipt of such reimbursement whether by Automated Clearing House (ACH),

electronic transfer, wire transfer or other expedited means. MPLT shall provide CNMI with further written notice of the procedures CNMI shall follow for making payments to MPLT as required by this Agreement.

- The conditions and terms set forth in the proposed Promissory Note, including the following specified terms and conditions;
 - 1.1 CNMI assumes liability to MPLT for the amount of the line of credit (\$15,000,000.00) and pledges CNMI's assets pursuant to Article X of the CNMI Constitution and Public Law 23-12 to secure the line of credit.
 - 1.2 All payments of principal and interest on this Note shall be payable to MPLT as set forth in the Line of Credit Agreement.
 - 1.3 In the event of a default by CNMI of the Line of Credit Agreement, the entire unpaid balance of principal of, and all accrued unpaid interest owing on, this Note shall, at the option of MPLT, if not cured within THIRTY CALENDAR DAYS, become forthwith due and payable without notice.
 - 1.4 No delay or omission by MPLT in exercising or enforcing any of its powers, rights, privileges, remedies or discretions hereunder shall operate as a waiver thereof on that or any other occasion, and no single or partial exercise of any right hereunder shall preclude other or future exercise thereof. No waiver of any right or remedy hereunder on any occasion shall be construed as a bar or waiver of any such right or remedy on any future occasion, nor as a continuing waiver. CNMI agrees that no variance, extension or renewal of this Note shall affect the absolute and unconditional liability of the CNMI hereunder.
 - 1.5 CNMI hereby waives presentment, demand, notice of protest, suretyship defenses, and all other demands and notices in connection with the delivery, acceptance, performance, default and/or enforcement of this Note or of any rights hereunder.
 - 1.6 In the event of a default or any action undertaken by MPLT to collect and/or enforce this Note, CNMI will pay to MPLT on demand all reasonable costs and expenses, including attorneys' fees, relating to the collection and/or enforcement of this Note or of any rights hereunder.

- 1.7 This Note shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of the Northern Mariana Islands. If any provision of this Note is held to be invalid or unenforceable by a court of competent jurisdiction, the other provisions of this Note shall remain in full force and effect.
- 1.8 The provisions of the Line of Credit Agreement executed herewith are made an integral part of this Note.
- 1.9 The execution, delivery and performance by CNMI of this Agreement are (a) within CNMI's powers; (b) have been duly authorized through Public Law 23-12, (c) do not violate any federal or CNMI law or regulation applicable to it; (d) do not contravene any contractual restriction binding on or affecting it or its property; and (e) do not violate any order, writ, judgment, award, injunction, decree or other instrument binding on or affecting it or its property.
- 1.10 This Note when delivered will be the legal, valid and binding obligation of CNMI enforceable against CNMI in accordance with its terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally.
- 1.11 All written information other than projected financial information heretofore furnished by CNMI to MPLT for purposes of, or in connection with, this Note, or any transaction contemplated hereby is, and all such written information hereafter furnished by it to MPLT is, and at all times shall be true, complete and accurate in every material respect, on the date such written information is stated or certified. No such item contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading. All information consisting of projected financial information has been or will be prepared in good faith based on assumptions that CNMI believed to be reasonable at the time such information was prepared.
- 1.12 No bond is required herein.

- The conditions and terms discussed in the email of November 16, 2023 from the Capital Improvement Program, Office of Planning & Development, Office of the Governor to MPLT providing and representing to MPLT the following information (appended hereto as Attachment 2):
 - EDA Confirmation Letter for all Grants.
 - An allotment advice form from each project for each grant.
 - Copies of all A/E & construction contracts.
 - CNMI Standard Operating Procedure for Payments through the Line of Credit.
 - Communication and coordination with the Capital Improvement Program, Office of Planning & Development, Office of the Governor, including a regularly updated projection spreadsheet.

WHEREAS, the MPLT Trustees have determined that the CNMI Government's proposal for a Line of Credit has met all of the requirements imposed by MPLT; and

WHEREAS, the Trustees of MPLT, in approving the CNMI Government's proposal for a Line of Credit, do so with specific and appropriate conditions as part of the investment.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS, THE MPLT TRUSTEES RESOLVE AS FOLLOWS:

BE IT RESOLVED, that the Trustees of the Marianas Public Land Trust, in order to support economic development and government stabilization in the CNMI through an investment targeted towards the benefit of the CNMI economy, hereby approve the CNMI Government's proposal for a Line of Credit.

BE IT FURTHER RESOLVED, that the Trustees do hereby authorize the following investments: 1) MPLT agrees to make available to the CNMI Government a Line of Credit with a principal amount of \$15,000,000.00 (Fifteen Million Dollars) for the purpose of interim bridge financing for CNMI Capital Improvement Projects funded by the EDA. CNMI agrees to pay MPLT interest on amounts of principal drawn by CNMI upon this Line of Credit in addition to repayment of the principal drawn.

BE IT FURTHER RESOLVED, as to the priority for collection upon any debts drawn by the CNMI Government upon this Line of Credit, the Trustees agree and concede to subordinate MPLT's priority to any obligations of the CNMI Government to the NMI Settlement Fund or to pre-existing bond obligations.

BE IT FURTHER RESOLVED, that specific terms of this Line of Credit include the following:

- A. The term of this Line of Credit shall not exceed eighty-four (84) months.
- B. Each drawdown on this Line of Credit shall correspond to an individual EDA-funded CIP project set forth in Attachment "A" to the proposed Line of Credit Agreement.
- C. At all times, all drawdown amounts at any time shall not exceed the cumulative sum of \$3,000,000.00 (Three Million Dollars). While the CNMI may draw in smaller increments such increments shall not exceed three (3) drawdowns of up to \$3,000,000.00 and once the number of drawdowns reach three (3) or total drawdowns reach \$3,000,000.00 there shall be no further drawdowns until that set of drawdowns is fully repaid inclusive of interest.
- D. Interest on each sum drawn shall accrue as follows: at the rate of Five and One-half percent (5.5%) per annum, starting from the date such funds are disbursed (including the date of disbursement and the date of payment). If the principal amount is paid but the interest accrued has not been fully satisfied, interest shall continue to accrue on any amount due and unpaid including interest.
- E. The CNMI Government, through the Office of the Governor and Department of Finance, shall repay the Line of Credit as to any drawdowns no later than thirty (30) calendar days from the date of each drawdown (or as otherwise specified in the proposed Line of Credit Agreement).
- F. Any reimbursements received by the CNMI Department of Finance/Office of the Governor from the EDA paid or remitted to the CNMI Government for CIP project advances pursuant to this Line of Credit shall be paid directly to MPLT as settlement of the corresponding drawdown as further specified in the proposed Line of Credit Agreement.

- G. The CNMI, through the Secretary of Finance, shall remit all EDA-reimbursement funds it receives in its account including funds from all reimbursing entities within twenty-four (24) hours of receipt of such reimbursement whether by Automated Clearing House (ACH), electronic transfer, wire transfer or other expedited means.

BE IT FURTHER RESOLVED, the Trustees' authorization of this investment is subject to the following terms and conditions:

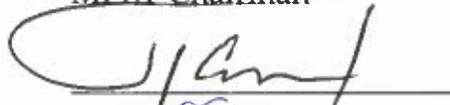
- 1) The CNMI Government shall execute the proposed Line of Credit Agreement on terms and conditions required by MPLT, signed by the authorized representative of the CNMI Government;
- 2) The CNMI Government shall execute the proposed Promissory Note through its authorized representative;
- 3) In accordance with the terms of the proposed Line of Credit Agreement, the CNMI Government shall execute such further documents as MPLT may reasonably request as additional assurances to evidence and secure the Line of Credit and to perfect all Security Interests.
- 4) The CNMI Government shall comply with the Standard Operating Procedure for Payments through the Line of Credit established by the Office of Planning & Development, Office of the Governor, CNMI Government.
- 5) That the CNMI Government is not in default or in breach of contract for its failure to pay on any EDA-funded CIP project and shall remain without default and in compliance with its contract obligations as to payment on all of its EDA-funded CIP projects.

THEREFORE, IT IS RESOLVED that the Trustees of the Marianas Public Land Trust approve this investment Resolution 24-001 on such terms and conditions as set forth herein.

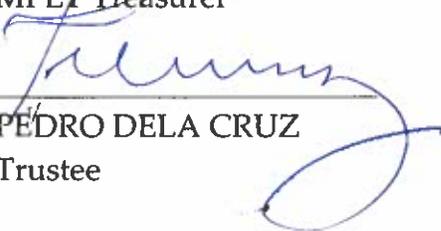
SO ADOPTED this 26th of April, 2024 by majority vote of the MPLT Trustees on Saipan, CNMI.


PHILLIP MENDIOLA-LONG
MPLT Chairman


RITA A. SABLAN
MPLT Vice Chairperson


ALVARO A. SANTOS
MPLT Treasurer


CARLA N. CAMACHO
Trustee


PEDRO DELA CRUZ
Trustee

Schedule of Attachments:

- Attachment 1 – LOC Proposal.
- Attachment 2 – Email of November 16, 2023 from the Capital Improvement Program, Office of Planning & Development, Office of the Governor to MPLT.