

To the President and Councilmembers of the Fort Belknap Indian Community Council,

Last month, Island Mountain Development Group's newly installed Board of Directors ("Board") announced it is undertaking a formal review of the organization's finances, investments, and operations. As a tribally owned organization that exists to serve the people of the Fort Belknap Indian Community, we committed to sharing in full transparency both the reasons behind the review and our findings, whatever they may be. The review began after the Board discovered unexplained debts and evidence of potentially serious financial improprieties at IMDG, as well as potential violations of the Fort Belknap Constitution by former IMDG board members. We are writing to you today to share an update on the review, which is still ongoing, as new evidence has led us to expand it beyond its original scope.

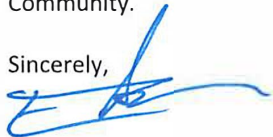
On Tuesday, most alarmingly, we discovered evidence of a conspiracy to illegally convert tribal property by former legal counsel, former board members, and former staff. In execution of this conspiracy, two of the former IMDG board members signed a document effectively authorizing this conversion of all IMDG's tribal lending businesses—all of its assets, businesses, and jobs—out of Montana. The conspirators appear to have devised this plan the day after the new Board was put in place by the Council. The consequences of this attempted theft would have devastated this community, left hundreds of our people without paychecks, and set Fort Belknap's financial wellbeing back by decades.

Two members of the previous board had established a secret "ad hoc Executive Committee" comprising only two members, Tracy King and Christopher Gaurdipee, who used an inapplicable and inactive directive to usurp decision-making authority from the rest of the newly-appointed Board and keep the Council in the dark. Unfortunately, certain people have attempted to obstruct our investigation, including withholding incriminating emails and files, but IMDG now has acquired the documents and begun the interviews necessary to understand the scope of betrayal and potential damage to our community.

While we continue to work with all possible haste and thoroughness on our complete report to the Council and community, we are including as an appendix to this letter two of the documents that reveal the attempted conspiracy to remove IMDG's jobs and assets from Fort Belknap and Montana. This level of impropriety far exceeds what we expected to uncover in our review, and as such we have expanded the scope of our review to ensure we have a complete picture of prior Board action and everyone that may have been involved. We believe the community has a right to see and understand our full investigation, and we appreciate your patience as we prepare it. IMDG anticipates being able to release its full report and findings in May. In addition, going forward, in transparency and in service to this community, IMDG will release a complete annual report of its finances and operations, so that this type of deception and misconduct never takes root again.

For now, one thing is clear: our collective intervention came at the right time to protect the economic interests of our tribal members and IMDG employees. The attempt to steal our business was stopped and our jobs and resources have been secured. We understand these findings may shock and dismay members of the community—and we share these feelings. IMDG's newly appointed board members, in close collaboration with Chief Executive Officer Evan Azure, remain steadfast in our belief that the time for transparency is overdue and this process, while difficult, will best serve the long-term interest of our organization and the Fort Belknap Indian Community.

Sincerely,



Evan Azure,  
CEO, Island Mountain Development Group

Geno LeValdo  
Chairman

Sam Azure  
Vice Chairman

Brian Wing  
Secretary/Treasurer

Curtis Horn  
Board Member

Steve Fox  
Board Member



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January 20, 2023

To: IMDG CEO Terry Brockie, Executive Team and Senior Staff  
From: Ad Hoc Executive Committee  
Re: Emergency Management Directive

Following Thursday evening's action in Council chambers, Island Mountain received official Notices of an Event of Default from counsel for the senior secured creditor for the Bright, Target and CADV lending portfolios we manage for the Tribe. Counsel advised that the Lender has exercised their contract remedies and seized control of all the lending bank accounts per their rights under Depository Account Control Agreements. They also advised they are seizing control of the Collateral and all lending operations as is their right following an Event of Default under the Facility Documents. The Lender identified the Event of Default under Section 8.1(e) of the Loan and Security Agreements in the Council's purported action to remove the entire Island Board contrary to the Tribe's commitment in five different Tribal Authorizing Resolutions between 2018 and 2021 not to interfere with the lending businesses. Counsel indicated they would be sending conforming instructions apace.

The ad hoc Executive Committee was formed in March 2018 in an exercise of the then-Board's duty of care. The Executive Committee allows for the company to function until a quorum can be reestablished with Council appointments consistent with the Bylaws.

Therefore, exercising the fiduciary duties of the Board to prevent waste and maintain the assets of the Company to the maximum extent possible, the Executive Committee hereby directs staff as follows:

- 1) Comply with all Facility Documents and honor Island Mountain's and the all the managed entities' solemn contract obligations, including complying with conforming instructions of the Lender.
- 2) Take all necessary and appropriate steps to safeguard the Collateral and ensure, to the maximum extent possible, Island Mountain's and the managed entities' abilities to satisfy their current liabilities.
- 3) To ensure our ability to pay as much as possible of the existing obligations across the Company and managed entities, establish a segregated bank account for "Emergency Credit Management" to direct monies that can be used to pay existing obligations. To avoid disclosure of the other directives contained in this memorandum to a bank where such account might be established, we will execute a duplicate stand-alone directive to establish such bank account.
- 4) Take all necessary and appropriate steps to secure lending customer data and provide the



contracting parties with back-up tapes as frequently as they require.

- 5) Take all necessary and appropriate steps to protect employees' privacy rights and personal information.
- 6) Provide the ad hoc Executive Committee with a debt schedule for the Company and all managed entities as soon as possible and undertake any appropriate effort to reduce, eliminate or negotiate work-out arrangements on existing debt.
- 7) Prepare legal documents to effectuate immediate assignment of any and all assignable assets to the Rosebud Sioux Tribe's Sicangu Corporation or other Rosebud entity that might be agreeable. Such assignment shall be effective upon our approval of the legal documents. Our direction is to explore all possible actions that might allow for the preservation of as many jobs as possible.

Ad Hoc Executive Committee

By: 

Mr. Tracy King



Mr. Christopher Gardipee





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January 20, 2023

To: IMDG CEO Terry Brockie, Executive Team and Senior Staff

From: Ad Hoc Executive Committee

Re: Management Directive - Establish New Bank Account

The ad hoc Executive Committee was formed in March 2018 in an exercise of the then-Board's duty of care. The Executive Committee allows for the company to function until a quorum can be reestablished with Council appointments consistent with the Bylaws. A situation has emerged making achieving a quorum uncertain, so the ad hoc Executive Committee is exercising the fiduciary duties of the Board to prevent waste and maintain the assets of the Company to the maximum extent possible, the Executive Committee hereby directs staff as follows:

- 1) To ensure our continuing ability to pay as much as possible of the existing obligations across the Company and managed entities, establish a segregated bank account for "Emergency Credit Management" to direct monies that can be used to pay existing obligations.

Ad Hoc Executive Committee

By:

Mr. Tracy King

Mr. Christopher Gardipee