

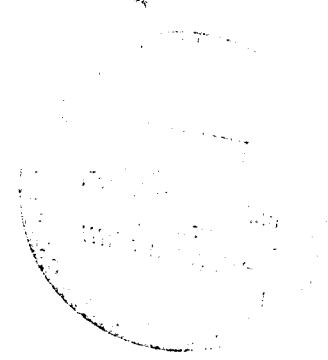
RESOLUTION OF THE  
WHITE MOUNTAIN APACHE TRIBE OF THE  
FORT APACHE INDIAN RESERVATION

WHEREAS, it is the policy of the White Mountain Apache Tribal Council to use to the fullest extent possible, the assets of the tribe to promote the general welfare of the tribal members, and

WHEREAS, the Plan of Operations of the Fort Apache Timber Company is in need of amendments to effectuate the utilization of these resources and assets as well as amendments to keep pace with the current business and operational details.

BE IT RESOLVED that the Plan of Operations of the Fort Apache Timber Company be amended as attached.

The foregoing resolution was on November 6, 1975 duly adopted by a vote of 9 for and 0 against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (i) of the Amended Constitution and By-Laws of the Tribe, ratified by the Tribe June 27, 1958 and approved by the Secretary of the Interior on May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



*Nelson Lopez*  
ACTING Chairman of the Tribal Council

*Marjorie Goodfield*  
Secretary of the Tribal Council

## SECTION B. PLAN OF OPERATION

### Section B (3)

Timber Source. The Tribe agrees to sell the company and the company agrees to buy under subsidiary timber sale contracts and in accordance with the terms and conditions of this plan and the Special Timber Contract Provisions, all the timber and other forest resources which may be manufactured, processed or produced by the Company, as may be designated for sale and removal by the Bureau of Indian Affairs within the Fort Apache Indian Reservation, which is divided into management blocks as follows:

1. Tribal
2. North Fork
3. Maverick
4. Northwest
5. Southwest

The subsidiary timber sale contracts shall be subject to the consent of the Tribal Council and the approval of the Area Director. The Company may not assign an interest in this timber or subsidiary timber sale contracts without the approval of the Tribal Council and the Area Director. The Tribe reserves the right to sell to others, under approved Bureau procedure, forest products from the various management blocks which the Company cannot manufacture, process or produce.

The maximum volume of timber which may be cut, for any five-year period beginning December 31, 1965 from any of the management blocks shall equal the Allowable Annual Cut for these respective areas as stated in the Forest Management Plan. During any one-year period this Allowable Annual Cut may be exceeded by 25%. In the event of extreme emergencies in any of the management blocks when timber must be salvaged to avoid value loss through deterioration, the Tribe with the Area Director may sell that salvage timber to others which is in excess of the Company's capability for utilization to insure the best economic interests of the Tribe. The Company may secure timber from off-reservation sources.

## SECTION C. MANAGEMENT

### Section C (2)

Manager. A Manager for the Company shall be employed by the Tribal Council with due consideration to the recommendations of the Board. The qualifications of the Manager shall be satisfactory to the Area Director. The provisions of the employment contract shall be subject to the final approval of the Area Director. The Board shall have authority to terminate the contract with approval of the Tribal Council and the Area Director. The Manager shall be responsible to the Board for the efficient operation of all phases of the Company and shall be responsible to the Board for all Company property. Specific conditions of the Manager's employment, including the term, amount and method of compensation

will be included in a written contract. Copies of the management contract shall be furnished the parties thereto, the Superintendent and the Commissioner. The Board shall obtain key man life insurance coverage on the Manager with benefits payable to the Company as protection to the Company. Premium costs will be an operating expense of the Company. Premiums on the Manager's bond shall be paid by the Company and such bond shall be drawn in favor of the Tribe and shall be satisfactory to the Tribal Council and the Superintendent.

Section C (3)

Sales Representative. The Tribal Council with due consideration to recommendations of the Board shall execute a contract with a sales representative subject to the approval of the Area Director, provided such contract shall not be effective until review and approval by the Area Director.

Section C (5)

Logging Contracts. The Manager with the approval of the Board shall execute logging contracts necessary to supply the Company.

Section D Capital

Section D (3)

Distribution of Profit. From cash currently on hand a cash reserve in the minimum amount of \$1,000,000.00 will be established. An additional amount shall be held in this reserve so that the minimum \$1,000,000.00 when added to the additional amount shall equal any outstanding long term indebtedness of the Company.

SECTION E. METHODS OF BUSINESS

Section E (7)

Purchasing. A purchasing policy shall be established by the Manager and approved by the Board.

Section E (15) New

Management of Surplus Funds. Any surplus cash in the possession of the Company in excess of that specified in Section D (3) (a) may, with the approval of the Tribal Council, be loaned to Tribal Enterprises. Such loans shall be written on a standard loan note with provisions for principal repayment and an interest schedule. Interest charged on such loans shall be adjusted annually at the beginning of each fiscal year to provide for an interest rate two percent (2%) above the rate then currently available on one year certificate of deposits in the state.