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4/27/97

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

WHEREAS, the White Mountain Apache Tribe currently maintains a tax qualified retirement savings plan which allow employees to contribute and invest a portion of their pay for retirement; and

WHEREAS, until recently, the federal tax laws did not expressly permit Indian tribes to offer such retirement saving on a pre-tax basis; and

WHEREAS, the new federal legislation, "Small Business Job Project Act", which was signed into law August 22, 1996, expressly allows tribal governments and enterprises to adopt 401 (k) pre-tax retirement savings programs; and

WHEREAS, employee contributions to a 401(k) retirement savings plan are excluded from current wages for determining federal income tax, thereby effectively reducing each employee's taxable income by the amount of the contribution; and

WHEREAS, the White Mountain Apache Tribe intends to adopt the 401(k) provisions for its employees retirement savings plan, effective on or about May 1, 1997; and

WHEREAS, the Tribe's Pension Attorney, Pension Office, Treasurer and Legal Department have developed an outline of the key features of a 401(k) plan which would benefit the Tribe's employees; and

WHEREAS, the proposed features of the 401(k) plan would include the following:

- (1) convert the regular contributions currently made by each participating employee of 2.5% of his or her base salary from an after-tax basis to a pre-tax basis, with such contributions continuing to be matched by the Tribe;
- (2) allow the voluntary contribution by each participating employee, if he or she chooses, to be made on either a pre-tax or post-tax basis; and
- (3) continue the ability of each employee to withdraw voluntary contributions for any reason, if made on a post-tax basis, but restrict the ability to withdraw voluntary contributions made on a pre-tax basis to comply with established hardship guidelines as permitted by federal 401(k) rules;

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(4) establish the ability of each participating employee to make changes to his or her investment allocation on a quarterly, rather than semi-annually basis;

(5) give more flexibility to the Tribal Council to adjust the employer contribution levels;

(6) make revisions to further clarify the Plan's administration and distribution provisions; and

WHEREAS, the Tribe at this time also concludes it would be beneficial to withdraw the funds from the investments held under the frozen Plan 2 and merge Plan 2 into the current Plan 3, so that hereafter the Tribe will have one pension plan which can earn the more favorable rates of return currently experienced under Plan 3, and also reduce the expense of administering the plan, it is under one plan document; and

WHEREAS, the final revised plan document has not been prepared; however, the features of the plan are complete and will need to be presented to all qualified employees well before the effective date of May 1, 1997.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the development of a 401(k) amendment to the Tribal Pension Plan, consistent with the summary of key features set forth above, and hereby directs the Pension Office, after the completion of the new plan summary, to provide such information to all eligible employees.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the removal of the funds from the investments held under Plan 2 and merge Plan 2 into the current Plan 3, to create one plan for all tribal employees with plan funds invested in the current investment options available for Plan 3.

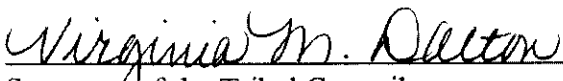
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby delegates authority to the Tribal Chairman, or in his absence the Vice Chairman, to execute any documents necessary to carry out the intent of this resolution, and to submit Plan 2 and Plan 3, as may be recommended by the Pension Attorney, to the IRS for approval, with authorization to execute any applications, documents, or further amendments as may be required by the IRS to obtain such approval.

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The foregoing resolution was on March 13, 1997, duly adopted by a vote of seven for and zero against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by the White Mountain Apache Tribal Constitution, including Article IV, Sections 1 (a), (b), (h), (i), (s), (t) and (u) of the Constitution of the Tribe, ratified by the Tribe on September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



Chairman of the Tribal Council



Secretary of the Tribal Council