

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

WHEREAS, the White Mountain Apache Tribe maintains an IRS qualified pension plan to assist Tribal employees in saving for retirement; and

WHEREAS, under the Plan structure, employees contribute a portion of their salary to their individual pension accounts and the Tribe makes a matching contribution of a pre-determined amount; and

WHEREAS, it has been brought to the Council's attention that in connection with the change over to an independent trustee, Wells Fargo Bank, excess funds were budgeted to pay for matching contributions above the amount then needed to fully fund the Tribe's matching contribution obligations, with such excess budgeted funds ("Reserve Fund") being held in a separate account with American Funds pending disbursement per Council direction; and

WHEREAS, the pension plan's independent trustee and its third party investment manager have confirmed that the Reserve Fund has not been treated as trust fund assets, as the Tribe has continued to fully fund its matching contributions through its regular annual budgeting process; and

WHEREAS, the Tribe has been able to fully fund its pension plan costs through its regular budgeting process, the Council deems the maintenance of a separate Reserve Fund as unnecessary at this time; and

WHEREAS, while non-trust assets or budget set-asides are not subjected to the same legal limitations placed on pension trust assets, the Tribe's pension attorney, Mr. Robert Yoder, has recommended that the Reserve Fund nonetheless be restricted in use for the exclusive purpose of providing benefits to pension plan participants and beneficiaries and for defraying reasonable expenses in administering the plan.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Reserve Fund shall be used for the exclusive purpose of providing benefits and defraying expenses in administering the pension plan.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the excess Reserve Fund shall be used for the purpose of funding the Tribe's bi-weekly matching contributions under the pension plan until exhausted, provided that no other non-recurring or other unbudgeted pension costs should arise during such

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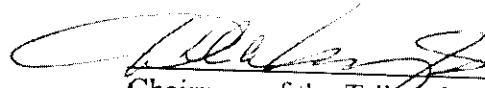
period, in which case said funds may be applied to such costs to the extent such costs are for the exclusive purpose of providing plan benefits or defraying reasonable plan expenses.

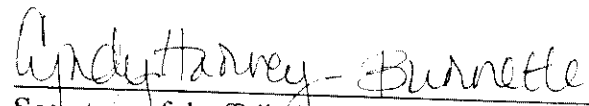
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes and directs the Tribal Chairman or the Tribal Controller to take such steps as are needed to carry out the intent and purpose of this resolution, including the execution of any conforming plan amendments which may be necessary in connection therewith.

The foregoing resolution was on December 4, 1998 duly adopted by a vote of eight for and zero against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (b), (e), (h), (k), (s), (t) and (u) of the Constitution of the Tribe, ratified by the Tribe 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).

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Chairman of the Tribal Council


Secretary of the Tribal Council