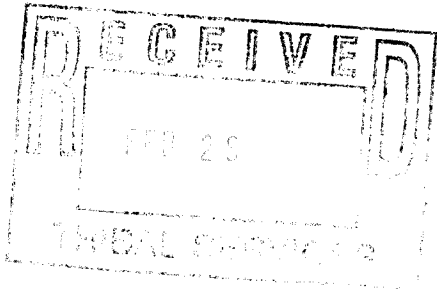


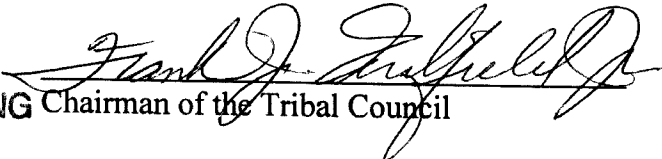
**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

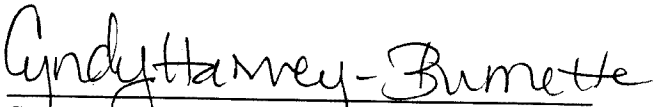
- WHEREAS**, the Tribe delegated to the Fort Apache Timber Company authority and responsibility to manufacture lumber products utilizing the Tribe's forest resources; and
- WHEREAS**, FATCO plays the primary role for the Tribe in fulfilling its Tribal Forest Management Plan and to further the purposes of the National Indian Forest Resources Management Act; and
- WHEREAS**, FATCO is a major employer within the Reservation, both through its own employees and through the employees of vendors and independent loggers; and
- WHEREAS**, FATCO has been operating at a loss during this past year and does not have adequate reserves to continue funding logging operations; and
- WHEREAS**, FATCO Board and Management have briefed the Tribal Council on their work in reducing operating costs and restoring FATCO to a positive net cash flow; and
- WHEREAS**, the Board and Management have made a projection to the Tribal Council identifying the need for and benefit to the Tribe by allocating Tribal funds to FATCO to allow logging to continue until March 31; and
- WHEREAS**, the proposal would authorize for use by FATCO not more than One Million Dollars (\$1,000,000) in central Tribal funds for a period of three months at no more than Three Hundred Fifty Thousand Dollars (\$350,000) per month in order to pay for continued logging; and
- WHEREAS**, the Tribal Council is concerned about the ongoing losses at FATCO, but it is committed to ensure that FATCO is a successful operation and on that basis will allow the use of central Tribal funds by FATCO to pay for needed logging operations.
- BE IT RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the use of central Tribal funds by FATCO to pay for continued logging operations through March 31, 2001, provided that no more than Three Hundred Fifty Thousand Dollars (\$350,000) shall be used in any single month and not more than One Million Dollars (\$1,000,000) in central Tribal funds will be provided in total to support FATCO through this period for this purpose.

Resolution No. 01-2001-12

The foregoing resolution was on January 5, 2001 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 Article IV, Section 1 (a), (f), (h), (i), (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).




ACTING Chairman of the Tribal Council


Secretary of the Tribal Council