

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

**(Approving Home Center Joint Venture Agreement with
SAGE Business Solutions for Sales and Marketing)**

WHEREAS, pursuant to Section 1(a), 1(b) and 1(i) of the Constitution of the White Mountain Apache Tribe, inter alia, the Tribal Council has the authority to represent the Tribe and act in all matters that concern the welfare of the Tribe, negotiate, make and perform contracts, and manage all economic affairs and enterprises; and

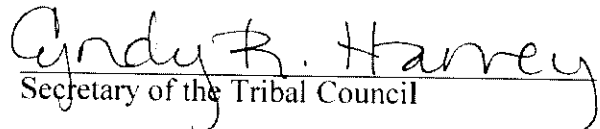
WHEREAS, SAGE Business Solutions did this day present a proposal for a joint venture with the Tribe for the sales and marketing functions of the Home Center operation located in Hon-Dah, as attached and incorporated by this reference; and

WHEREAS, after careful review and consideration, the Tribal Council finds that a joint venture agreement with SAGE Business Solutions for the purposes described herein is in the best interests of the overall economic development of the Tribe.

BE IT RESOLVED by the White Mountain Apache Tribal Council that a joint venture agreement with Sage Business Solutions for the purposes proposed, as attached and incorporated herein, is hereby approved.

The foregoing resolution was on NOVEMBER 16, 2005, duly adopted by a vote of SIX for and ONE against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Sections 1 (a), (b), (h), (i), (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).


Chairman of the Tribal Council


Secretary of the Tribal Council

HOME CENTER

Sales & Marketing

Joint Venture

Prepared For:



Nov. 16th, 2005

1 - Confidential

Photo courtesy constructionphotos.com

BUSINESS SOLUTIONS
Liability Corporation

FACTORY REPRESENTATIVE

- Increase sales through the WMAT Home Center through sales and marketing
- Factory representative with large established supply manufacturers
 - Sell supplies and materials for construction
 - Windows, Steel Studs, Bathroom Fixtures, Light Fixtures, Doors etc.
- No capital outlay for products
- No inventory
 - Products are shipped direct from manufacturer to customer
- Source of revenue for WMAT
- Secure government and private sector projects both on and off the reservation
- Leverage SDB, 8A, MBE and Indian preference programs

BENEFITS OF THIS PROGRAM

- Increase sales for the Home Center
 - Estimated gross sales \$10 million over the next year
 - Estimated gross sales \$24 million year 2
 - Estimated gross sales \$30 million year 3-5
- Provide sales and marketing force
- Develop construction projects off the reservation leveraging Indian preferences to expand profit base
- Develop relationships with large general contractors more sales potential

QUALIFICATION HIGHLIGHTS

- Detention Centers
- Federal Court Buildings
- Hospitals
- Assisted Living Projects
- Schools
- Federal Projects
- Military Installations
- Restaurants
- Sky Harbor Terminal
- Banks
- State and City Government Buildings
- High Security Plant Nuclear weapons
- Professional Offices
- Retail Centers
- Multi-dwelling buildings
- 25+ years of experience in the commercial and residential construction industry.
Projects ranged in size from small residential projects to a \$2.5 billion dollar natural gas plant.
Have owned or managed all aspects of construction companies. Including management, sales, contract negotiations, sub contractor management, and budgets.
- 35+ years operations leadership experience
- 35+ years project management experience strategic planning
- 35+ years senior management experience
- Experienced leader managed project budgets in excess of \$285 million
- Managed departments and companies with budgets in excess of \$15 million
- Increased sales for organizations from \$20mil to \$60 mil

EXECUTION PLAN

- Sales and marketing to large companies and other Tribes
- Secure additional supplier rep contracts and lines to represent
- Secure contracts
- Start projects
- On-going operations

JOINT VENTURE

- Robert Kirby & Brian Kirby will provide \$70,000;
- A 25+ years of experience in commercial and residential construction and 35+ years of project management and business management experience. Construction network and additional contacts.
 - We will provide the experienced sales and marketing team to develop, manage and execute sales for the Home Center
 - Office and necessary equipment & expenses associated with sales
- The WMAT will provide
- Allow us to represent the home center for sales of building products
 - Allow us use existing factory representative relationships and develop new ones
 - Provide inventory and accounting system with access (existing system)
- \$50,000 investment from WMAT. Profits will be split 20% overhead 40% Sage 40% WMAT. Sage will pay all our overhead expenses for sales (20% of sales)
- \$0 investment WMAT profits split 20% overhead 50% Sage 30% WMAT. Sage will pay all our overhead expenses for sales (20% of sales)

PROJECT BUDGET

Agreements		\$1,500
MBE Certifications		\$750
Presentation Projector		\$1,100
Cell Phones		\$400
Office Furniture		\$2,500
Office Equipment		\$1,500
PC's		\$2,100
Software		\$5,000
Marketing Materials		\$2,500
Start-Up Sub Total		\$17,350

OPERATION EXPENSES

Month	Year 1	Year 2	Year 3
Salaries	\$21,017	\$30,658	\$30,658
Office	\$1,400	\$1,750	\$1,750
Phone	\$75	\$250	\$250
Internet Access	\$125	\$150	\$200
Business Insurance	\$50	\$100	\$175
Cell Phones	\$100	\$300	\$450
Auto Expense	\$400	\$800	\$1,200
Shipping	\$100	\$300	\$500
Travel Expenses	\$4,000	\$8,000	\$10,000
Supplies	\$200	\$350	\$450
Printing	\$200	\$400	\$550
Dodge Services	\$500	\$750	\$1,000
Copier	\$200	\$350	\$450
Payroll Services	\$125	\$200	\$250
Accounting	\$75	\$200	\$300
Legal Fees	\$600	\$1,200	\$1,500
Overhead Expense Per Month	\$29,167	\$45,758	\$59,242
Overhead Expense Per Year	\$350,000	\$549,100	\$710,900

OPERATIONS PROFITS

Month	Year 1	Year 2	Year 3 - 5	Total
20% Overhead 50% Sage 30% WMAT No Investment				
Overhead	\$350,000	\$549,100	\$710,900	\$3,031,800
Net to Home Center	\$370,800	\$864,000	\$1,000,000	\$4,474,800
Sage	\$515,200	\$1,466,900	\$1,889,900	\$7,409,400
20% Overhead 40% Sage 40% WMAT \$50,000 Investment				
Overhead	\$350,000	\$549,100	\$710,900	\$3,031,800
Net to Home Center	\$494,400	\$1,152,000	\$1,440,000	\$5,966,400
Sage	\$391,600	\$1,178,900	\$1,449,100	\$5,917,800