



Resolution No. 04-2006-121

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

(Directing the Finance and Budget Committee to consult with an independent outside financial manager and directing the Legal Department to Review the S&P DTI Note)

- WHEREAS**, pursuant to Article IV, Section 1(a) 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; and
- WHEREAS**, Gerald Zulli, a principal of Strategic Global Consultants and the Value Exchange Company of Folgersville, Pennsylvania, has solicited the Tribe for an investment of ten million dollars (to be transferred from the Tribe's Permanent Trust Fund) to purchase a seven year principal protected note on Standard and Poors Diversified Trends Index, issued by J.P. Morgan Chase Bank (the "Note"); and
- WHEREAS**, Standard and Poors Diversified Trends Indicator is an investment methodology that can benefit from trends in the futures market and is a composite of commodity and financial futures; and
- WHEREAS**, Tribal Ordinance No. 175 prohibits Permanent Trust Fund monies to be invested in commodities and options of future contracts; and
- WHEREAS**, the Tribal Council adopted Resolution No. 03-2006-67, which authorized the transfer of ten million dollars from the Tribe's Permanent Trust Fund to purchase the Note referenced above; and
- WHEREAS**, the Tribe's Legal Department thereafter issued a Memorandum dated April 6, 2006 stating that Resolution No. 03-2006-67 was void and without effect until a two-thirds vote of the Tribal Council approves an amendment to the Tribal Ordinance No. 175 (which created the Permanent Trust Fund) allowing for an investment in commodities; and
- WHEREAS**, Gerald Zulli approached the Tribal Council again, requesting that the Tribe invest in the Note, and stated that the Tribe would not be investing directly in commodities; and
- WHEREAS**, the Tribal Council finds that it is in the best interests of the Tribe to seek the advice of an independent, outside financial manager that can present other options for investment to the Tribal Council so that it can make an informed decision on what investment choice to make; and

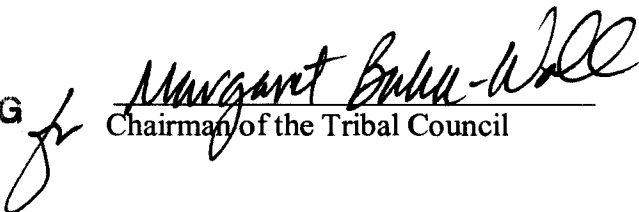
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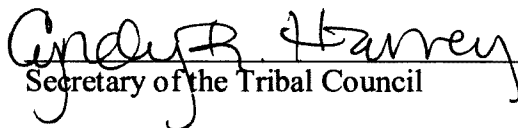
WHEREAS, the Tribal Council further requests that the Tribe's Legal Department review the Note again and inform the Tribal Council on whether the investment would violate Ordinance No. 175, in light of Mr. Zulli's opinion that the Note was not an investment in commodities.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs the Finance and Budget Committee to consult with an independent, outside financial manager that can present investment options to the Tribal Council on a better way to invest the Tribe's Permanent Trust Fund monies, and further directs the Legal Department to review the Note to determine whether it violates Ordinance No. 175.

The foregoing resolution was on April 19, 2006, duly adopted by a vote of SIX for and FIVE against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (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