



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

**(Approving Sale of Small Diameter WUI/HFR Log Decks to Help
FATCO Pay For Stumpage, Logging and General Start-up Expenses)**

- WHEREAS,** pursuant to Article IV, Section 1(a) and 1(s) 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,** Tribal Forestry ("Forestry") conducted forest management thinning activities that have left undesirable log decks on the Fort Apache Indian Reservation ("Reservation"); and
- WHEREAS,** the BIA has not previously approved funding for the purpose of removing such materials and related waste from the Reservation; and
- WHEREAS,** the Fort Apache Timber Company ("FATCO") has assessed the value of the small diameter material and has determined that it is undesirable and cannot be utilized in a manner that would be beneficial to the Tribe; and
- WHEREAS,** there are markets that currently exist that could make use of such material, however, the method for selling this wood through Tribal Forestry to generate program income would not provide the most benefit to the Tribe; and
- WHEREAS,** the Tribe is not in a position to conduct logging due to past due stumpage debt; and
- WHEREAS,** the BIA requires a financial plan that would account for outstanding stumpage payments before FATCO may begin logging again; and
- WHEREAS,** at this time, there is a greater need for potential funds to be used to help FATCO with past due stumpage payments and/or as a start-up fund to provide for logging in the event that a repayment plan is approved in the near future; and
- WHEREAS,** FATCO has the right of first refusal for any forest products harvested and sold on the Reservation and it is in this capacity that FATCO will be exercising its right to sell such small diameter wood materials for the overall benefit of the Tribe; and
- WHEREAS,** the Tribal Council finds it in the best interest of the White Mountain Apache Tribe to authorize FATCO, working in conjunction with Tribal Forestry, to contract, harvest, and sell the identified small diameter wood and related waste products to help clean up the Reservation; and
- WHEREAS,** the Tribal Council further finds that any income generated through the harvesting and sales described herein, shall be used for the purpose of helping FATCO pay for previous stumpage and any future logging and start-up expenses.

Resolution No. 02-2011-45

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes Tribal Forestry to act on behalf of FATCO to facilitate the processing of small diameter wood so that FATCO may exercise its right to sell the wood and help clear the Fort Apache Indian Reservation of the wood material waste products.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves of the use of any related revenues for the purpose of paying previously owed stumpage payments and to help provide funding for future FATCO logging and start-up costs.


BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that any revenue generated from the sale of these forest products shall be deposited in FATCO's temporary segregated account as authorized under Resolution No. 02-2011-44, and used exclusively to help FATCO pay for costs associated with stumpage dues and future logging and operating expenses.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby grants the Tribal Treasurer authority, consistent with the Tribal Constitution, to oversee any financial activity that may result from the transactions described herein.

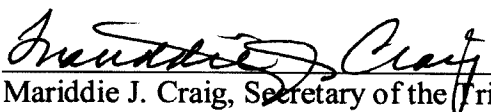
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall govern.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Vice Chairman, is hereby authorized to execute any and all documents necessary to effectuate the intent of this Resolution.

The foregoing resolution was on **FEBRUARY 16, 2010** duly adopted by a vote of **SIX** for and **ZERO** against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (b), (i), (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).



Ronnie Lupe, Chairman of the Tribal Council



Mariddie J. Craig, Secretary of the Tribal Council