

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

- WHEREAS, the White Mountain Apache Tribe through the Executive Office of Chairman Reno Johnson, Sr., has contacted the McDonnell Douglas Helicopter Company and has proposed that the McDonnell Douglas Company enter into a subcontract with the White Mountain Apache Tribe for the manufacture by the Tribe here on the Fort Apache Indian Reservation of certain materials necessary in the company's Apache Attack Helicopter Program; and
- WHEREAS, the proposal will provide additional sources of revenue and income to the White Mountain Apache Tribe and will provide valuable job training for tribal members as well as a secure source of employment for tribal members and has the potential for creating additional contracts through the addition of the White Mountain Apache Tribe to the McDonnell Douglas Corporation's qualified suppliers list; and
- WHEREAS, it is estimated that tribal income from contracts with McDonnell Douglas could reach .5 million dollars within the next four years, which funds can be used to support the governmental services of the White Mountain Apache Tribe; and
- WHEREAS, the business venture with McDonnell Douglas require facility renovation and capital equipment expenditures by the tribe and McDonnell Douglas has agreed to make advance payments to the tribe, to provide materials for manufacture of the product, to assist in tooling and quality and establishment of quality control systems and to train qualified tribal members in the manufacturing of the products; and
- WHEREAS, the agreement with McDonnell Douglas will provide collateral benefits to the tribe such as the possibility of obtaining other McDonnell Douglas components contracts, a possibility of obtaining other aerospace company contracts, the potential of entering into the commercial world with the products being manufactured by the tribe all of which will contribute to the overall economic growth of the tribe; and
- WHEREAS, McDonnell Douglas has appeared before the Tribal Council and has made a presentation concerning the proposed business venture and the Tribal Council after reviewing the proposal is of the opinion that the

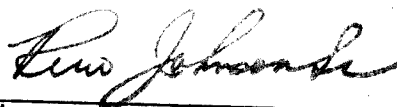
business venture is in the best interest of the White Mountain Apache Tribe and should be pursued to the fullest extent.

THEREFORE BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby grants approval of the proposal submitted by the Tribal Chairman's Office and the McDonnell Douglas Company for the establishment of an Apache Off-Load Program which will manufacture certain components to be utilized in McDonnell Douglas Apache Helicopter Program.

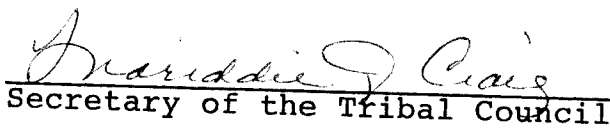
BE IT FURTHER RESOLVED that the Tribal Council authorizes the Tribal Chairman to enter into all contracts and agreements necessary to carry out the intent and purposes of this resolution and the proposal submitted and reviewed by the Tribal Council.

BE IT FURTHER RESOLVED that the Tribal Chairman is directed and authorized to coordinate all efforts necessary to bring about the facility renovation of the Whiteriver Bowling Alley to be utilized in the Program and to make any and all necessary arrangements to fulfill the intent and purposes of this resolution and the obligations of the tribe as evidenced in contracts which will be entered into with McDonnell Douglas pursuant to the proposed business venture.

The foregoing resolution was on April 27, 1988, duly adopted by a vote of NINE for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (b) & (i) of the Amended Constitution and Bylaws of the Tribe, ratified by the Tribe June 27, 1958, and approved by the Secretary of the Interior on May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



Chairman of the Tribal Council



Secretary of the Tribal Council

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Fort Apache Indian Agency
Whiteriver, Arizona