

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

WHEREAS, the Tribal Council of the White Mountain Apache Tribe recommends that additional members be appointed to the Credit Committee in order to address issues concerning the Revolving Credit Program; and

WHEREAS, the Tribal Council has reviewed the list of candidates submitted by the Credit Committee and has added to the list other names for consideration and has voted on the proposed new members of the committee; and

WHEREAS, the Tribal Council has voted that the following individuals serve on the Credit Committee: Herbert Tate and Glen Harvey, with Kino Kane selected as an alternate.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that in addition to current Credit Committee members, the following individuals are hereby appointed to serve on that committee: Herbert Tate and Glen Harvey, with Kino Kane as an alternate.

BE IT FURTHER RESOLVED that the Plan of Operation of the Credit Committee is changed to reflect the addition of new members by 1) amending Section 6 Credit Committee to read:

1. "All credit activities of the Tribe will be administered by a Committee of five members selected by the Tribal Council".
2. Amending Section (e) Quorum to read: "Three members will constitute a quorum at any meeting".

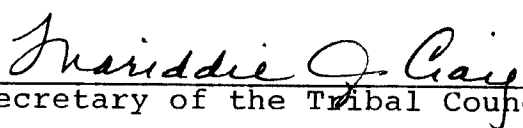
The foregoing resolution was on September 13, 1989, duly adopted by a vote of SEVEN for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (i) and (s) of the Amended Constitution and Bylaws of the Tribe, ratified by the 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).

RECEIVED

OCT 12 1989

Fort Apache Indian Agency
Whitewater, Arizona


Chairman of the Tribal Council


Secretary of the Tribal Council

DECLARATION OF POLICIES AND PLAN OF OPERATION
 TRIBAL REVOLVING CREDIT PROGRAM
 WHITE MOUNTAIN APACHE TRIBE

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DECLARATION OF POLICIES AND PLAN OF OPERATION
TRIBAL REVOLVING CREDIT PROGRAM
WHITE MOUNTAIN APACHE TRIBE

1. DEFINITIONS

Wherever the following terms are used herein, they will have the meaning indicated:

- (a) "SECRETARY" means the Secretary of the Interior or his authorized representative.
- (b) "COMMISSIONER" means the Commissioner of Indian Affairs or his authorized representative.
- (c) "AREA DIRECTOR" means the officer in charge of the Phoenix Area Office of the Bureau of Indian Affairs or his authorized representative under which the Fort Apache Indian Agency is placed for administrative purposes.
- (d) "SUPERINTENDENT" means the Superintendent or other officer in charge of the Fort Apache Indian Agency.
- (e) "AGENCY" means the Fort Apache Indian Agency.
- (f) "TRIBE" means the White Mountain Apache Tribe.
- (g) "TRIBAL COUNCIL" means the governing body of the Tribe elected in accordance with the Tribe's constitution.
- (h) "COMMITTEE" means the Credit Committee appointed in accordance with Section 6 hereof.
- (i) "DECLARATION" means this declaration of policies and plan of operation.

- (j) "CREDIT PURPOSES" means loans to individuals, partnerships and cooperatives, and financing of tribal enterprises.
- (k) "REHABILITATION LOAN" means a loan to an individual to finance an enterprise of sufficient size and scope to produce an income sufficient to cover operating expenses and living expenses at a reasonable standard, and to repay the loan over a reasonable period of time.
- (l) "ENTERPRISE" means a business operated by the Tribe which is organized on a self-sustaining basis to produce a profit from operations.

2. PURPOSE

The purpose of this Declaration is to establish procedures to govern all future loans by the Tribe. This Declaration shall be used by the Committee in day-to-day credit operations and will make possible a minimum of reference to the Secretary's regulations and instructions of the Commissioner. In some instances, the provisions hereof depart from the instructions of the Commissioner contained in the Manual of the Bureau of Indian Affairs. In all such cases the provisions of this Declaration shall govern.

3. POLICY

It is the policy of the Tribe to consolidate its credit and financing operations under one system and to make all loans to individuals and cooperative associations and advances to enterprises only under the procedures herein. Loans heretofore made by the Tribe will not be

disturbed so long as the borrowers adhere to their loan agreements, but all future loans will be made only as provided herein.

Loans to individuals and cooperative associations and advances to enterprises will be made for the purpose of raising the social and economic status of members of the Tribe to a point where they can look to the same sources of financing as are available to non-Indians. Loans may be made only upon determination that repayments can be made, based upon accepted credit analysis, and only to those members unable to obtain financing elsewhere on reasonable terms and conditions.

4. SCOPE

This Declaration will apply to all revolving credit funds borrowed or to be borrowed from the United States; to all tribal funds heretofore or hereafter advanced to the Tribe (from Tribal Treasury funds) for credit purposes.

5. REGULATIONS AND INSTRUCTIONS

All credit activities of the Tribe will be governed by the regulations in 25 CFR 91 and applicable amendments thereto and, except as otherwise provided herein, in accordance with applicable instructions of the Commissioner contained in Volume 4, Part 7 of the Bureau of Indian Affairs Manual, and applicable amendments thereto and revisions thereof as they may be issued from time to time, also, Regulation Z of the F.R.B. and the Fair Credit Reporting Act whenever applicable.

6. CREDIT COMMITTEE

All credit activities of the Tribe will be administered by a Committee of three members selected by the Tribal Council from outside the Council membership.

- (a) Selection. The first three members will be appointed for terms of one, two, and three years respectively. At the end of the first year and each year thereafter, as each term of office expires, the term of office will be for three years. Members will continue to serve until their successors are appointed.
- (b) Record of Appointments. A record of all appointments to the Committee will be furnished the Superintendent and the Area Director.
- (c) Officers. After the appointment of the committeemen and each year following the appointment of a member, the members will select a chairman from among themselves and a secretary from within or without the Committee membership. The Chairman will preside at meetings of the Committee.
- The Chairman and the Secretary will perform duties customary to their offices. In the absence of the Chairman, the members present shall select a temporary chairman from among themselves. In the absence of the Secretary, the members present shall select a secretary from within or without the committee membership.
- (d) Record of Meetings. The Secretary will keep or cause to be kept a full and complete record of all meetings, copies of which will be furnished the Superintendent, Area Director, and Tribal Council.
- (e) Quorum. Two members will constitute a quorum at any meeting. A uniform vote of at least two members will be required in order for any action to be effective.
- (f) Suspension and Removal. The Tribal Council may suspend a committee member for cause. Written notice of such suspension, including a

clear and concise statement of the charges resulting in the suspension, will be forwarded to the suspended member by registered mail. Such member will have thirty days from the date of the notice to request a hearing before the Tribal Council.

The hearing will be held at the next regular or special meeting of the Tribal Council after receipt of request for hearing. The Tribal Council may remove such members from the committee. The decision of the Tribal Council will be final. If no request for hearing is made, removal from the Committee will be automatic at the end of the 30-day notice period.

- (g) Vacancies. Vacancies in the membership will be filled by appointments by the Tribal Council for the unexpired terms.
- (h) Resignations. In case of resignation, a Committee member shall give the Tribal Council thirty days written notice.
- (i) Qualifications of Members. Committee members must have a reputation for industry, dependability, honesty and integrity; have had at least five years of successful experience in the operation of a farm, ranch, business, or employment; be an enrolled member of the Tribe, at least 25 years of age and of at least one-quarter degree of Indian blood.
- (j) Restrictions on Membership. No person will be eligible for membership who has a loan from the Tribe that is delinquent or in default, and Committee members will not be eligible to receive loans from the Tribe during the time they are members of the Committee, unless their applications are approved by a majority vote of the Tribal Council and by the Area Director.

- (k) Compensation. Compensation of members and the rate of per diem and mileage to be paid to them will be determined by the Tribal Council and be paid from "local" tribal funds.
- (l) Meetings. The Committee will meet when business demands and requires its attention. Meetings may be called by the Chairman. Meetings will be called by the Chairman upon the request of the Superintendent. In the event the Chairman fails to call a meeting within five days after receipt of a written request, the other two members or the Superintendent may call a meeting. At least three days written notice will be given of all meetings unless the members unanimously agree to waive such notice. The number of meetings held will be kept to the minimum necessary to properly administer the Tribe's Credit Program.

All meetings will be in executive session and, with the exception of employees of the Bureau of Indian Affairs, the Secretary or a clerk to keep records in accordance with Subsection (d) of this Section and authorized representatives of the Tribal Council, attendance at meetings will be by invitation only.

All voting on applications, requests for modification, declaring loans in default, and other actions will be taken only at meetings, and the applicants or borrowers will not be permitted to be present at the time of voting.

- (m) Signature on Actions. The Chairman, Secretary, or such other of the members as may be authorized at meetings, will sign papers as the Committee may designate for and on its behalf. All such authorizations will be reflected in the records of the Committee.

7. AUTHORITY AND DUTIES OF THE CREDIT COMMITTEE

The Committee will have full authority to act for and on behalf of the Tribe in all phases of its credit operations, including the financing of enterprises, except as provided in Section 6 (j). Initial action for the Tribe on all applications, plans of operation, requests for modifications, etc., will be taken by the Committee, which will either recommend applications or requests for modifications for approval, in whole or in part, conditionally or unconditionally, or return the applications or requests to the applicants or borrowers, with reason same cannot be recommended for approval.

It will be the responsibility of the Committee to see that loans are repaid when due and to do or have done the necessary follow-up with each borrower to see that they make proper use of funds loaned to them. If it becomes apparent that a borrower will become delinquent, the Committee will take steps necessary to prevent the delinquency, either by obtaining payment, by extending the repayment terms, or by declaring the loan in default and placing it in liquidation. Advice of the Tribal Attorney will be requested when any legal action is contemplated.

The authority of the Committee as set forth in this section shall not be interpreted as placing any restrictions on the authority of said Committee to act for and on behalf of the Tribe in any phases of its credit operations.

8. CREDIT OFFICER

The Credit Officer assigned to the Fort Apache Indian Agency will work in close cooperation with the Committee and assist applicants and

borrowers in the preparation of loan applications and other papers. He will advise the Committee and applicants and borrowers of conformance or nonconformance to terms and conditions in applications and loan agreements and other papers, to the regulations of the Secretary, Manual instructions of the Commissioner, and the provisions of this Declaration. He shall attend all meetings of the Committee insofar as practicable and will advise it of action necessary. He shall be responsible in ascertaining that the bookkeeping, clerical work, records, reports, securing of required forms, filing, recording and administrative details necessary for proper operation of the Tribe's credit program are handled in accordance with the applicable provisions of loan agreements between the Tribe and the United States, the regulations in 47 BIAM, Enterprise Applications and Agreements and this Plan of Operation. He shall check on property purchased with or given as security for loans from the Tribe in conjunction with the Committee or an authorized member of the Committee. He shall be responsible in seeing that minutes are kept of meetings of the Committee by the Secretary or a clerk in accordance with Section 6(d) and that all actions and authorizations are adequately reflected in the minutes. He shall make such recommendations to the Committee or the Tribal Council as he may be authorized by the Superintendent. The Credit Officer shall be responsible for prompt filing or recording of all documents given as security for loans. He shall see that borrowers are notified when payments are in arrears and that these notifications are properly made a matter of record.

The Credit Officer will work with Tribal Enterprise Boards and will advise the Boards regarding financing, management, compliance with provisions of plans of operation, management contracts and analysis of financial statements and audits.

9. LEGAL ASSISTANCE

The Tribe's attorney shall handle such legal work as may be necessary in the enforcement of any credit obligations to the Tribe, and the Committee must call upon him for legal advice and assistance.

10. FUNDING OF CREDIT EMPLOYEES

Effective upon approval of this Declaration, and continuing thereafter while the Tribe is conducting a credit program, the Tribe may pay for the services and expenses of credit employees from appropriated or "local" tribal funds as deemed necessary by the Tribal Council and the Superintendent. Operating expenses of the Tribe's credit program may also be defrayed from appropriated or "local" tribal funds when necessary. "Local" tribal funds, as used herein, include all tribal funds deposited in the Tribe's Revolving Credit Funds except those advanced from the U. S. Treasury specifically for "credit purposes". The use of tribal revolving credit funds for other than "credit purposes" shall be subject to an annual budget adopted by the Committee and approved by the Superintendent. Employee or employees paid from "local" tribal funds to assist in the Tribe's credit operations shall work under and be responsible to the Superintendent or his authorized representative.

11. OFFICIAL DEPOSITORY

The depository of the Tribe's credit fund will be an Indian Money Account of the Agency. Any bonded collection office for the Agency is hereby authorized by the Tribal Council to collect and to receipt for all credit funds for and on behalf of the Tribe.

At such times as the Superintendent directs or approves, the Tribe's credit funds shall be deposited in a national or state bank or banks having membership in the Federal Deposit Insurance Corporation. Before any credit funds are deposited in a bank or banks, arrangements satisfactory to the Superintendent, will be made with the bank or banks; that at any time upon written request of the Superintendent, the bank will pay over the balance on hand in the Tribe's credit fund account or accounts, or any part thereof to the Superintendent. The Superintendent will deposit any such funds in an Indian Money Account to the credit of the Tribe.

12. ADVANCES OF FUNDS TO TRIBE

All advances of revolving credit funds in accordance with the terms of loan agreements with the United States, and all advances of tribal funds to the Tribe from the United States Treasury for credit purposes, shall be made to the Treasurer, who shall be bonded in an amount and in a manner satisfactory to the Superintendent. All funds advanced to the Treasurer will be deposited promptly in the Tribe's authorized depository for credit funds in accordance with Section 11 of this Declaration.

13. DISBURSEMENTS

All disbursements from the Tribe's depository will be by check. Except as authorized in Subsection (a) of this section, the Superintendent may

make disbursement upon receipt of written commitment order or requests signed by the Chairman, Secretary or such other committee member as may be authorized by the Committee at meetings in accordance with Section 6 (m) of this Declaration to sign such requests. Disbursements on loans will not be made until the loans have been approved in accordance with this Declaration, nor until the loan agreements are complete and the securing instruments have been properly executed.

(a) Prepayment of Expenses. The Superintendent is authorized to disburse credit funds for the purpose of paying filing or recording fees on securing documents, for payment of insurance premiums, and for lien searches and other expenses necessary for protection of the Tribe's interests and for the prudent operation of the credit program. Any such disbursements except on unapproved applications will be charged against the borrower and the Tribe will be reimbursed either from his loan or other funds. The cost of lien searches on unapproved applications shall be an expense to the program.

14. REPAYMENT

Repayments and other receipts on loans made prior to final approval of this Declaration will be made in accordance with the terms of the loan agreements. Those made subsequent to adoption of this Declaration will be made in accordance herewith. All repayments and other receipts on loans will be deposited promptly in the Tribe's designated depository. Copies of all receipts shall be furnished the Credit Officer.

15. RECORDS, REPORTS, AUDITS, AND FISCAL YEAR

(a) Records and accounts will be maintained in a manner and in accordance with an accounting system satisfactory to the Area

Director. Annual Credit Reports will be submitted in accordance with 47 BIAM Supplement No. 4 and revisions thereof. An annual audit of the Tribe's credit operations will be made as of April 30 each year and contain such information as the Superintendent may consider essential. Copies of audit reports shall be furnished the Tribal Council, Committee, Superintendent, Area Director, and Commissioner. Other reports will be prepared and furnished as requested by the Tribal Council or Area Director.

(b) The fiscal year shall be from May 1 through April 30.

16. APPROVAL OF LOANS

Applications for loans from individuals, partnerships, and cooperatives which have been recommended for approval by the Committee may be approved by the Superintendent pursuant to delegations of authority as issued by the Phoenix Area Office. Other applications will require approval by the Area Director or Commissioner pursuant to 47 BIAM and Redlegation Order 10 BIAM 3 and amendments thereto, except as provided in Section 6(j) hereof.

17. APPROVAL OF MODIFICATIONS

Requests for modifications which have been recommended for approval by the Committee may be approved by the Superintendent pursuant to delegations of authority in 10 BIAM 11 and Amendments thereto. The amount of the unpaid balances of the loan at the time of the request for modification, plus any increase in the amount of the loan by modification will determine the authority of the final approving official to take action, rather than the original amount of the loan.

18. ELIGIBILITY FOR LOANS

Any member of the Tribe is eligible to apply for a loan from the Tribe. Members of less than 1/4 degree of Indian blood are not eligible for loans. Cooperative associations must be organized pursuant to the laws of the State of Arizona.

Any tribal enterprise will be handled in accordance with 47 BIAM.

19. RESTRICTIONS ON APPROVAL OF LOANS

Loans will not be approved during the period June 25 through July 5 each year except in cases of emergency, nor will they be approved if they fall in any one of the following classes:

- (a) Undue Risk. Where the loan involves undue risk and/or there is not reasonable assurance of repayment.
- (b) Residence of Applicant. Where the applicant resides outside the boundaries of the Fort Apache Reservation.
- (c) Purchase of Livestock. Where the loan is for the purchase of livestock unless the applicant has made adequate provisions for year-round care of the livestock and has been accepted by a tribal livestock association.
- (d) Factual Applications. If the applicant falsifies his application or conceals his liabilities.
- (e) Purchase of Unrestricted Real Property. Applications for loans for the purchase of unrestricted real property and/or improvements thereon outside the exterior boundaries of the Fort Apache Reservation.

- (f) Credit Rating. Where the applicants have not maintained good credit ratings and do not have good reputations for industry and dependability.
- (g) Delinquent Borrowers. If the applicant is delinquent in repayment of any tribal loan; however, a borrower may request refinancing of a delinquent revolving credit loan.
- (h) Availability of Credit from Usual Sources. If applicant can obtain credit from sources other than the Tribe on reasonable terms and conditions, they shall be encouraged and assisted in obtaining such financing.

The Credit Committee or the final approving officer may require applicants to furnish written evidence of the lack of available financing from other sources.
- (i) Purchase of Motor Vehicles. Unless essential to the conduct of an established business.
- (j) Refinancing of existing indebtedness (non-tribal). Except where the indebtedness is fully secured by a mortgage and retention of the property is essential to the welfare of the applicant.
- (k) No loan shall be made for less than \$100.00.
- (l) Where applicants lack needed experience and/or training in the business to be operated (agriculture or business ventures).

20. OBJECTIVES OF LOANS

The objectives of loans by the Tribe are:

- (a) Rehabilitation of Borrowers. To rehabilitate and promote the social and economic development of the borrowers to the end that they may

become self-sustaining, independent of assistance from the Tribe and Government agencies and become able to obtain needed financing from customary sources.

- (b) Utilization of Resources. To enable tribal members to utilize and develop the reservation resources.
- (c) Improvement of Housing and Living Conditions.

21. LOAN PROCEDURES

- (a) Applications. Applications shall be in writing on forms provided. Applications must first be presented to the Agency Credit Officer or a member of the Credit staff and then to the Committee. The Credit Officer will see that information on applicants and in the applications is complete before applications are acted upon by the Committee.
- (b) Appraisal. When deemed necessary by the Committee or the Superintendent, an actual physical inventory and appraisal showing the value of assets owned by an applicant will be made when such assets are to be taken as security. This appraisal will be made by a representative of the Committee or a Bureau employee, either of whom shall be qualified and authorized, and such appraisal shall bear the signature of the appraiser.
- (c) Agricultural Enterprises.
 - (1) Agricultural loans shall be made on a rehabilitation basis and only to those who own or have control of an economic unit of land. Loans for the purchase of livestock may be approved for less than an economic unit where applicants have dependable

and steady income from other sources, such as wages, and have approval from a livestock association to operate the cattle to be purchased plus the increase within an association.

- (2) Agree to follow in their operations a definite agricultural program prepared with the assistance of technicians and an acceptable practice plan, and farm and home plans.
 - (3) Demonstrate their thrift, industry and managerial ability.
 - (4) Have training or experience or both in agriculture.
- (d) Real Property Improvements. Applications for the purchase of improvements other than homes within the exterior boundaries of the reservation will be accompanied by adequate supporting documentation showing evidence of clear title with no encumbrances, agreement to sell by the owner and an appraisal report by a Committee-and-Superintendent-approved appraiser. Prior to approval of loan, applicant must have an approved lease on the land on which improvements to be purchased are located for a term of 25 years. A down payment of 2 per cent of the purchase price to the nearest dollar will be required.
- (e) Housing Loans. Applications for housing loans will be accompanied by:
- (1) A plan showing the type, dimensions, floor area of the house to be constructed, and an estimate of the cost of construction. If the house is to be built by a private contractor, the plan will be accompanied by specifications, showing the types, qualities, and amount of materials to be used and signed by the contractor and the applicant. The contractor shall agree:

- (1) to permit a Credit Officer or Committee representative to visit the construction site from time to time; (2) to permit a person qualified and appointed by the Credit Committee and the Superintendent to inspect construction from time to time as well as upon completion of construction; (3) that payment will be made on a percentage of completion basis, less 10 per cent; and (4) that final payment plus the 10 per cent will be made only after the house has been accepted in writing by the borrower and approved by the appointed inspector.
- (2) The applicant must have or obtain a 25-year approved homesite lease with an option for renewal on the land on any house to be constructed or purchased. A down payment of 2 per cent, rounded to the nearest dollar, of the cost of construction or purchase price will be required. Where payment is on an annual basis from cattle income, a down payment of 5 per cent, rounded to the nearest dollar, of the cost of construction or purchase price will be required.
- (3) Applications for the purchase of existing homes will be accompanied by an appraisal report. A first mortgage will be required on all housing loans.
- (f) House Repair and Improvement Loans. In the case of loans for house repairs and improvements, the committee or the approving officer may require information similar to that required by Section 21 (e) (1), (2), and (3) before taking action on the application. The Tribe may, in the discretion of the committee and the approving officer,

lend the applicant a sufficient amount to discharge an existing lien or encumbrance plus the amount of the cost of the proposed improvements. A first mortgage will be required as security on all such loans. At the discretion of the Committee, the monthly repayment on housing loans and loans for home improvements and repairs will be scheduled to include payments required for insurance premiums and taxes.

- (g) Mobile Homes. No loans for trailer houses shall be approved unless necessary to the steady employment of an applicant kept in mobile status by an employer. A 25 per cent down payment shall be required in such instances, or other adequate collateral given in lieu thereof.
- (h) Household Furnishings and Appliances. Loans for household furniture and appliances may be made where there is assurance of repayment ability, such purchases are needed by the applicants and the applicants are unable to make the purchases on time payment contracts on reasonable terms and conditions. A 15 per cent down payment will be required on such loans.
- (i) FFA and 4-H Club Loans. Loans may be made to members of FFA and 4-H Club organizations upon recommendations of the leader of the chapter or club or a representative of the State, County, or BIA Extension Service.
- (j) Business Loans. Loans to individuals or partnerships to establish a commercial enterprise shall be made on a rehabilitation basis and

only to those applicants who: (1) own or have a leasehold interest covering the business site that can be mortgaged; (b) agree to follow a plan of operation in the management of the business; (c) demonstrate thrift, industry and management ability; and (d) have necessary training or experience or both in the type of business to be financed. Agree to conduct business on a cash basis unless otherwise approved by the Commissioner.

22. INSURANCE

Fire and extended coverage insurance, with a loss-payable clause in favor of the Tribe as its interest appears, will be required on all loans for the construction, improvement, or purchase of homes or other buildings; if obtainable.

The amount of insurance when required will equal or exceed the unpaid balance of the loan. Borrowers will be encouraged to fully insure buildings owned by them for their own protection. Borrowers will be required to agree to obtain and maintain adequate insurance and failure to do so will subject them to the default penalties of their loan agreements.

23. INTEREST

Interest will be charged the borrowers at the rate of seven (7) per cent per annum on loans for land improvements, for the purchase, construction, repair or improvement of homes and other buildings; seven (7) per cent per annum on loans for the purchase of livestock, farm equipment, or other productive items, operating and living expenses, for any other purposes, except that the interest rate of loans guaranteed or insured in accordance

with the provisions of the Servicemen's Readjustment Act of 1944, as amended will be in accordance with the requirements thereof. On loans to cooperatives, interest will be charged at seven (7) per cent per annum. Loans to tribal enterprises shall be at the rate of 1 per cent over the interest rate the government charges the Revolving Credit Program for relending to tribal enterprises.

The Committee may, by resolution and approval by the Superintendent, revise the interest rate on loans. A copy of such resolution will be furnished the Area Director and the Commissioner.

24. FEES

(a) Fees will be charged on all new loans for physical inspection of property and security offered for loans, for the preparation of applications, maintenance of the Tribe's accounting records, and to assist in meeting other expenses in accordance with the following schedule. Wherever possible, fees will be collected in cash

\$ 100.00 to \$ 250.00	- -	\$ 2.50 loan fee
251.00 to 500.00	- -	5.00 loan fee
501.00 to 1,000.00	- -	10.00 loan fee
1,001.00 to 1,500.00	- -	15.00 loan fee
1,501.00 to 2,000.00	- -	20.00 loan fee
2,001.00 to 3,000.00	- -	30.00 loan fee
3,001.00 and over,	one (1) per cent of the total dollars loaned to the nearest dollar not including the loan fee.	

(b) On refinanced loans, fees will be charged at the above rate and only on the amount of additional money advanced.

25. DISPOSITION OF PROPERTY

When authorized by the Committee, the Chairman may issue permits to sell, exchange, or release mortgaged property under the following conditions:

- (a) Plan. When the borrower's plan calls for disposition and the proceeds are to be applied as set forth therein.
- (b) Repayment or Security. Where the property is sold and the proceeds are either applied on the loan or are used to purchase other capital goods which are given as security for the loan.
- (c) Other. Where the disposition is justified and the loan is adequately secured without the property to be released.
- (d) Exchange. Where the property is exchanged for other property which is given as security for the loan.
- (e) Same Kind. Where the property is sold and the proceeds are used to purchase replacement(s) given as security for loan.

26. ANNUAL INSPECTIONS

An authorized representative of the Committee and/or the Credit Officer shall make an annual inspection of each borrower's assets. In the case of fully secured loans which are not delinquent, the Committee may waive this requirement. The Agency Credit Officer may make inspections with an authorized representative of the Committee or he or another member of the staff may make inspections at his discretion. An annual inventory of property, except houses, purchased with loan funds and property given as security will be taken. The inventory listing is to be acknowledged in writing by the borrower.

Cattle which are being run with a livestock association will be counted by the association and the association tally will be accepted and used as the correct inventory of a borrower's cattle. The Committee will be

furnished for its review a copy of the inventory for each borrower and a report of observed shortages and neglect of proper care of property purchased with loan funds or given as security.

27. FILING AND RECORDING

All recording or filing costs, including costs of lien searches, will be at the expense of the borrower. Cost of lien searches on unapproved loans shall be an operating expense of the program. Securing documents, except assignments of income from trust land, will be filed or recorded in accordance with State laws. Assignments of income from trust property will be filed in the Agency office.

28. TITLE TO PROPERTY

Title to all property purchased with loans shall be taken in the name of the borrower.

A detailed description of recoverable property purchased with loan funds and of other chattels offered as security shall appear on chattel mortgages executed.

29. SECURITY

Borrowers with security to offer will be required to assign or mortgage same in an amount adequate to protect the loan. Unless other adequate security is available, property purchased with loan funds will be mortgaged to the Tribe as security except that security for a loan for housing on trust or restricted land shall include a mortgage on the leasehold interests of the mortgagors. Lack of security will not prevent approval of a loan, provided the borrower's plan shows reasonable assurance that the loan can be repaid, and if the applicant's managerial ability, earnings, reputation for industry and financial responsibility are satisfactory.

30. MATURITY

The maturity of loans to cooperatives will be determined by the purposes for which the loan is requested but will not extend more than five years from the date of approval of the loan unless specifically authorized by the Committee.

The maturity of loans to individuals for the purchase or construction of homes and other buildings, for land improvements, and for other items customarily requiring long-term financing will be scheduled for repayment at the earliest possible date consistent with the borrower's ability to repay, but will not extend more than twenty-five years from the date of approval of the loan.

The maturity of all other loans will not extend beyond one year. It is not expected that all loans will be repaid in full within this period. This procedure provides a means of permitting borrowers to make payments in accordance with income. If a borrower demonstrates industry, managerial ability and good faith, and makes reasonable repayments in accordance with income, the unpaid balance may be extended or refinanced for an additional year.

Successive extensions or refinancing for not to exceed one year may be approved.

Loans for house construction have been approved where the maturity date extends beyond the date of maturity of the Tribe's loan from the United States for relending to members, in order to enable them to obtain improved housing. However, the Tribe's investment of tribal funds in the credit program will provide income to reasonably assure that funds are available

to enable the Tribe to make the payments to the United States when due. In the event collections on individual loans in any year are insufficient to enable the Tribe to meet its scheduled repayment plus accrued interest to the United States on the relending portion of its program, the Tribe agrees it will make provisions in its budget to provide the amount needed to make the payment.

31. DELINQUENCIES

It will be the policy of the Tribe to not permit loans to remain delinquent for more than 90 days at any particular time except loans which have been assigned to the United States for collection, loans which are in process of liquidation, and loans on which there are unpaid balances and have been charged off on the Tribe's active accounting records. The Tribe will follow the policy as loans or installments on loans become due, of collect, extend or liquidate.

In the event of failure to comply with the provisions of this section at any time, it is agreed that no further loans will be made until there is compliance except that the Area Director may authorize the approval of specific loans in order that borrowers and applicants who have demonstrated industry and good faith may not be penalized because of lack of industry and good faith on the part of the other borrowers.

The Tribe also agrees that upon written request of the Area Director, the Chairman or Secretary of the Committee is authorized and instructed to execute for and on behalf of the Tribe a specific assignment of any agreement, note, right, or security heretofore or hereafter acquired in the Tribe's credit operations, in favor of the United States.

32. EFFECTIVE DATE OF DECLARATION

This Declaration of Policies and Plan of Operation shall become effective when approved by the White Mountain Apache Tribal Council and the Commissioner or his authorized representative and shall replace and supercede all prior amendments and Declaration of Policies and Plans of Operation.

33. MODIFICATION

This Declaration may be modified or amended on request by the Tribal Council and approved by the Commissioner or his authorized representative.

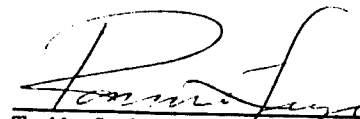
Recommended for Approval

Date 6-3-75


Chairman, Credit Committee

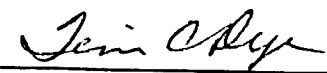
Approved:

Date JUL 21 1975


Tribal Chairman, as authorized by
Resolution 75-120 dated July 1, 1975

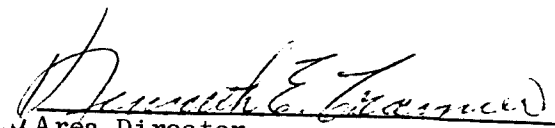
Recommended for Approval

Date 7/22/75


Superintendent, Fort Apache
Indian Agency

Approved:

Date JUL 22 1975


Area Director

This page was missing when the Plan was received
from the Area Office.

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

WHEREAS, the present Declaration of Policies and Plan of Operation for the White Mountain Apache Tribal Revolving Credit Program has been amended several times, and

WHEREAS, the Credit Committee has reviewed a new Plan consolidating all amendments into one Plan, and

WHEREAS, there are no other changes in the Plan approved on May 8, 1967, and

WHEREAS, the Credit Committee recommends Tribal Council approval of the new Plan.

BE IT RESOLVED that after due and careful consideration of the Declaration of Policies and Plan of Operation as revised, is hereby approved and shall henceforth govern all future loans and modifications made by the tribe under the Revolving Credit Program.

BE IT FURTHER RESOLVED that the Chairman of the White Mountain Apache Tribal Council is hereby authorized and directed to sign the revised Plan of Operation and to accept any conditions of approval that may be requested.

The foregoing resolution was on July 1, 1975 duly adopted by a vote of 10 for and 0 against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (i) of the Amended Constitution and By-Laws 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).



ACTING

Frank Kitchyan
Chairman of the Tribal Council

Mary C. Goodfield
Secretary of the Tribal Council



United States Department of the Interior
BUREAU OF INDIAN AFFAIRS

PHOENIX AREA OFFICE

P.O. Box 7007

Phoenix, Arizona 85011

IN REPLY REFER TO:
Credit & Financing
(602) 261-6066

RECEIVED

DEC 07 1978

December 5, 1978
FORT APACHE INDIAN
AGENCY
WHITERIVER, ARIZ

Memorandum

To: Superintendent, Fort Apache Agency
Attention: Credit and Financing

From: Area Director

Subject: Addendum to the Plan of Operation - Tribal
Revolving Credit Program

The addendum to the Plan of Operation as stated in the Tribal Resolution No. 78-207, providing for Serving and Liquidation Procedure, shall be known as Modification No. 1 to the Plan approved July 22, 1975.

Pursuant to the authority vested in me by Delegation Order 10 BIAM 3 and Section 33 of the above stated Plan of Operation, Modification No. 1, is hereby approved.

Copies of this memorandum, the Tribal Resolution, and the approved modification should be attached to all copies of the Plan of Operation.

Acting Area Director

Attachments

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

WHEREAS, the present Declaration of Policies and Plan of Operation for the White Mountain Apache Tribal Revolving Credit Program has been amended several times, and

WHEREAS, the Credit Committee has reviewed a new Plan of Operation and the present Plan of Operation does not have a serving and liquidation procedure, and

WHEREAS, there are no other changes in the Plan approved on May 8, 1967, and

WHEREAS, the Credit Committee recommends Tribal Council approval of the addition to the Plan.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that after due and careful consideration of the Declaration of Policies and Plan of Operation as revised, is hereby approved and shall henceforth govern all future loans and modifications made by the Tribe under the Revolving Credit Program.

BE IT FURTHER RESOLVED that the Chairman of the White Mountain Apache Tribal Council is hereby authorized and directed to sign the revised Plan of Operation and to accept any conditions of approval that may be requested.

The foregoing resolution was on November 09, 1978 duly adopted by a vote of 9 for and 0 against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (i) of the Amended Constitution and By-Laws 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).

ACTING

Phil R. Stago, Jr.
Chairman of the Tribal Council

Mary C. Goodfield
Secretary of the Tribal Council

RECEIVED

NOV 13 1978

FORT APACHE INDIAN
AGENCY
WHITERIVER AP17

Resolution No. 78-207

SERVING AND LIQUIDATION PROCEDURE

1. The Credit Committee and Credit Officer shall review delinquent loans at least once a month. Actions taken on each individual loan to be recorded in the Credit Committee minutes of the meeting.
2. A delinquent notice shall be sent if payment is not received within 10 days after due date of the payment.
3. If payment is not received within 30 days after notice is sent, request borrower to attend a meeting with the Credit Committee.
4. If the loan client does not respond within 15 days, the Credit Officer and/or a Credit Committee member will make personal contact.
5. If payment is not received within the next 30 days, a final notice by registered mail will be sent advising that loan will be placed in a default status and liquidated if payment is not received immediately.
6. The loan is declared in default by the Credit Committee and is turned over to the applicable legal representative for foreclosure action.

EFFECTIVE DATE OF DECLARATION

This Declaration of Policies and Plan of Operation shall become effective when approved by the White Mountain Apache Tribal Council, and on the date of final approval by the Area Director.

MODIFICATION

This Declaration may be modified or amended on request of the Credit Committee and the Tribal Council and approved by the Area Director.

APPROVALS

Recommended for Approval:

Date: 11-13-78

Steven L. Lusk
Credit Committee Chairman, as authorized
by Resolution No. 78-207 dated 11-9-78

Approved:

Date: 11-9-78

ACTING

Phil P. Skaggs Jr.
Tribal Chairman, as authorized by
Resolution No. 78-207 dated 11-9-78

Recommended for Approval:

Date: _____

Jim Cody 11-28-78
Superintendent, Fort Apache Agency

Approved:

Date: 12/6/78

Harold D. Brown
Acting Area Director, Phoenix Area