

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

WHEREAS, the Tribal government has in the past had an operating line of credit with Wells Fargo Bank to draw upon as needed during the seasonal fluctuations of Tribal cash flow; and

WHEREAS, the prior line of credit agreement terminated upon the completion of the refinancing of the Tribe's long term debt for capital improvements; and

WHEREAS, the Tribal Controller and Tribal Treasurer have negotiated preliminary terms for a new line of credit proposal with Wells Fargo; and

WHEREAS, the proposal would provide a line of credit of 1,125,000.00 dollars at a fluctuating rate of prime plus 0% (prime is currently 8.5%); and

WHEREAS, the line of credit would be secured by corporate stock held by the Tribe, a pledge of the Tribe's fuel tax revenues, and three certificates of deposit having a value of not less than \$395,000; and

WHEREAS, the terms of the line of credit agreement would be enforceable through a limited waiver of the Tribe's sovereign immunity patterned upon the waiver approved by the Tribal Council in 1997 when it entered into the original long term debt agreement with Wells Fargo for capital improvements; and

WHEREAS, pertinent language from the waiver is attached herein to this Resolution and has been reviewed and approved by the Tribal Council; and

WHEREAS, in addition to the interest rate, the Tribe would also agree to pay document preparation fees and legal fees necessary by the bank to complete the transaction, provided that such fees do not exceed \$1,500; and

WHEREAS, the Tribal Controller and Tribal Treasurer recommend execution of the line of credit agreement, as it serves the on-going budgetary and fiscal needs of the Tribe and can be an effective cash management tool; and

WHEREAS, final documents for the proposal have not been completed, however they would conform to the terms set forth above.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the line of credit agreement between the Tribe and Wells Fargo bank for

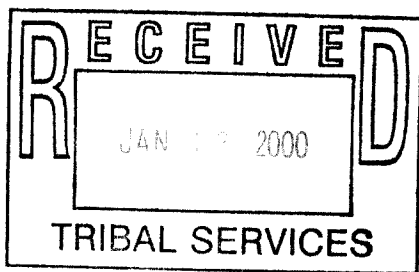
Resolution No. 01-00-19

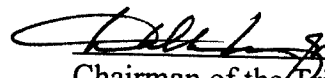
a line of credit of 1,125,000.00 dollars subject to the terms and conditions set forth above.

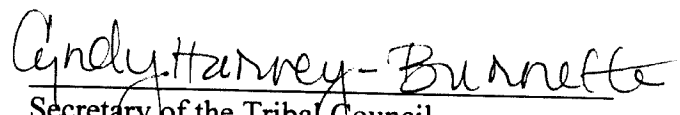
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves a limited waiver of the Tribe's sovereign immunity for the sole purpose of enforcing the terms of the agreement, in form and substance substantially similar to the terms of the limited waiver set forth in an attachment to this Resolution.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe it hereby delegates authority to the Tribal Chairman or in his absence the Vice-Chairman with the assistance of the Tribal Treasurer, Tribal Controller and Tribal Legal Department to negotiate the terms of the line of credit agreement subject to the provisions and conditions set forth in this Resolution and to execute the completed agreement if he determines it is in the best interests of the Tribe.

The foregoing resolution was on January 11, 2000 duly adopted by a vote of five for and two against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (b), (e), (h), (i), (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).




Chairman of the Tribal Council


Secretary of the Tribal Council

time by Lender and from time to time after the occurrence of an Event of Default, are cumulative and not exclusive, and shall be in addition to any other rights, powers or remedies provided by law or equity.

ARTICLE 7.
ENFORCEMENT OF AGREEMENT AND DISPUTE RESOLUTION

SECTION 7.1 INITIATION OF ACTION IN TRIBAL COURT; WAIVER OF JURY TRIAL. Borrower represents and warrants that it has taken all governmental action and has received all consents (if any), required to duly and effectively waive its sovereign immunity in connection with any Action. All Actions shall be initiated in Borrower's Tribal Court and shall be conducted subject to the rules of evidence and other rules and procedures thereof; provided, however, that Borrower shall designate a single sitting or retired judge of the Superior Court of Pima County or Maricopa County, Arizona as a judge pro tem of the Trial Court to try the Action as to all matters of fact and law. LENDER AND BORROWER, EACH FOR ITSELF AND ITS AUTHORITIES AND INSTRUMENTALITIES, HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN CONNECTION WITH THE TRIAL OR ANY ACTION INVOLVING OR ARISING OUT OF THIS MASTER AGREEMENT, ANY LOAN DOCUMENTS AND ANY NOTE.

SECTION 7.2 APPELLATE PROCESS. All final judgments, rulings and orders of the aforesaid trial court shall be subject to appeal pursuant to the rules and procedures of Borrower's Tribal appellate process; provided, however, that all appellate decisions shall be rendered by appellate panel and Borrower shall designate sitting or retired members of the appellate courts of the State of Arizona sufficient to constitute not less than thirty percent (30%) of the votes of each such appellate panel. Each party shall bear its costs incurred in connection with or arising out of the appeal of any Action. All compensation of the designees to any appellate panel and its related court costs shall be borne equally by Borrower and Lender. Borrower agrees that it shall accept and be bound by, thereby waiving its sovereign immunity from, a judgment, ruling or order issued by the aforesaid trial judge or the aforesaid appellate panel which is final (because either the time for appeal has expired or the judgment or order is issued by the court having final appellate jurisdiction over the matter and is not subject to collateral attack).

SECTION 7.3 WAIVER OF ADMINISTRATIVE PROCESS. Borrower hereby waives any right it may have to require Lender to exhaust any administrative remedies before commencing an Action in Borrower's Tribal Court and agrees not to assert the claim or defense of failure to exhaust any administrative or other Tribal remedies in any Action brought in the manner provided in subsections 7.1 and 7.2 hereinabove.

SECTION 7.4 DUE PROCESS REVIEW. Notwithstanding the foregoing, Borrower hereby irrevocably consents to the jurisdiction and exclusive venue of the United States District Court for the District of Arizona, sitting in Phoenix, Arizona, for the trial of any Action to determine whether, under the standards for review in federal court of trials and appeals conducted in state courts of the United States, Lender has been denied procedural or substantive due process or the equal protection of applicable laws in the trial and/or appeal of any Action brought in Borrower's

Tribal Court system. Borrower agrees that it shall accept and be bound by, thereby waiving its sovereign immunity from, a judgment or order of such court which is final (because either the time for appeal has expired or the judgment or order is issued by the court having final appellate jurisdiction over the matter and is not subject to collateral attack).

SECTION 7.5 SERVICE OF PROCESS BY MAIL. Borrower hereby agrees that service of all writs, process and summonses in any suit, action or proceeding brought against Borrower by Lender may be served upon Borrower by certified mail, return receipt requested, deposited with the United States Postal Service and addressed to the Tribal Chairman or the Secretary of Borrower's Tribal Council at the address of Borrower contained in Section 8.14. Any such service shall be deemed to have been completed (whether or not actually received) on the fifth day after it is deposited with the United States Postal Service. Borrower agrees not to object to this method of service in any legal proceeding brought by Lender against Borrower. Lender agrees to send by regular mail a copy (which shall not be construed as service) of all writs, process and summonses serviced on Borrower to Borrower's legal counsel at the address provided by Borrower to Lender. Borrower shall provide to Lender the name and address of Borrower's legal counsel, as the same may change from time to time.

SECTION 7.6 COSTS, EXPENSES AND ATTORNEYS' FEES. Borrower shall pay to Bank immediately upon demand the full amount of all payments, advances, charges, costs and expenses, including reasonable attorneys' fees (to include outside counsel fees and all allocated costs of Bank's in-house counsel), expended or incurred by Bank in connection with the enforcement of Bank's rights and/or the collection of any amounts which become due to Bank under any of the Loan Documents, including any of the foregoing incurred in connection with any bankruptcy proceeding (including without limitation, any adversary proceeding, contested matter or motion brought by Bank or any other person) relating to any Borrower or any other person or entity. The prevailing party shall be entitled to recover from the other party all charges, costs and expenses, including reasonable attorneys' fees arising from the prosecution or defense of any action in any way related to any of the Loan Documents, including without limitation, any action for declaratory relief, whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise.

ARTICLE 8. MISCELLANEOUS

SECTION 8.1 SURVIVAL. This Master Agreement shall survive the expiration and termination of the effectiveness of any individual Supplemental Agreement and the release of any Collateral, and shall continue to be effective for a period of three (3) months following the last to occur of (a) date of this Master Agreement, (b) the payment and performance in full of all obligations the last Supplemental Agreement, or extension or renewal thereof, to be governed by the terms and conditions of this Master Agreement.

SECTION 8.2 NO WAIVER. No delay, failure or discontinuance by Lender in exercising any right, power or remedy under any of the Loan Documents shall affect or operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any such right,