

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

- WHEREAS**, on March 18, 1999, the White Mountain Apache Tribe sued the United States in the U.S. Court of Federal Claims in a case entitled White Mountain Apache Tribe vs. United States of America, No. 99-148L, alleging damages for breach of fiduciary duty on the part of the United States to maintain and repair the Fort Apache property listed in exhibit A to this resolution and incorporated by reference herein, while under the Secretary of Interior's control, use and occupation for school or administrative purposes; and
- WHEREAS**, ultimately, the Supreme Court of the United States held that, under the 1960 Congressional Act which transferred the Fort Apache property in trust to the White Mountain Apache Tribe, the United States, as a trustee in occupation and control of the Fort Apache property, had the fiduciary duty and responsibility to preserve it, and, thus, was liable in damages for breach of its fiduciary duties, United States v. White Mountain Apache Tribe, 537 U.S. 465 (2003); and
- WHEREAS**, after remand by the United States Supreme Court to the U.S. Court of Federal Claims for trial on the amount of damages owed by the United States to the White Mountain Apache Tribe, the Tribe and the United States have engaged in detailed and comprehensive negotiations in an attempt to seek a full and final resolution of all claims raised in the Tribe's Complaint; and
- WHEREAS**, the United States made an offer to the Tribe on October 6, 2004, in the amount of \$12 million dollars (\$12,000,000) to resolve all of the Tribe's claims raised by its Complaint in the U.S. Court of Federal Claims pursuant to the terms of a Draft Settlement Agreement dated September 20, 2004 between the White Mountain Apache Tribe and the United States, a copy of which has been distributed to the Tribal Council for its review this date and which has been explained to the Tribal Council by the Tribe's attorney of record, Robert C. Brauchli; and
- WHEREAS**, the Tribe acknowledges that the offer made by the Department of Justice on behalf of the Defendant United States to settle the Tribe's claims in the amount of twelve million dollars (\$12,000,000), is not binding on the United States until the Associate Attorney General approves the amount and the settlement terms in the Draft Settlement Agreement referred to herein, but that the Tribe's approval of the sum and settlement terms contained in said Draft Settlement Agreement is required before presenting the proposed settlement to the Associate Attorney General; and
- WHEREAS**, the twelve million dollar settlement offer from the United States presumes that four hundred and forty-four thousand seven hundred and fifty-nine dollars (\$444,759), in the form of a 638 self determination grant for the Boys Dorm, building no. 116/226, has actually been designated and set aside by the Bureau of Indian Affairs for the White Mountain Apache Tribe for said building; and

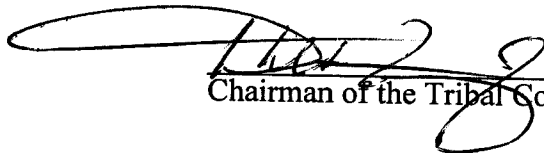
WHEREAS, in the event that it is determined that the four hundred forty-four thousand seven hundred and fifty-nine dollars (\$444,759), has not been designated or set aside by the Bureau of Indian Affairs pursuant to a 638 contract for the Boys Dorm, building no. 116/226, or for any reason said funds cannot be used for the Boys Dorm, then in the alternative, the Tribe hereby offers to settle its claims against the United States for the amount of twelve million four hundred forty-four thousand seven hundred and fifty-nine dollars (\$12,444,759); and

WHEREAS, Tribal Council concludes that it is in the best interests of the Tribe to avoid future conflict and litigation with the United States in regards to claims alleged in its Complaint and that such claims should be finally and fully resolved.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe, that it hereby approves and accepts the settlement offer of the United States in the amount of twelve million dollars, (\$12,000,000), pursuant to the terms and conditions set forth in the September 20, 2004, draft Settlement Agreement, entitled White Mountain Apache Tribe v. United States of America, No. 99-148L, provided, however, that in the event that for any reason whatsoever, the BIA 638 contract or grant in the amount of four hundred forty-four thousand seven hundred and fifty-nine dollars (\$444,759), is unavailable for repairs to the Boys Dorm, building no. 116/226, then the Tribe will only settle its claims against the United States for twelve million four hundred forty-four thousand seven hundred and fifty-nine dollars (\$12,444,759).

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes special counsel, Robert C. Brauchli, attorney of record in the above entitled and numbered case, to present a copy of this signed resolution to the Department of Justice.

The foregoing resolution was on OCTOBER 7, 2004 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 IV, Section 1 (a), (b), (f), (g), (h), (i), (j), (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

EXHIBIT A

| FORT APACHE BUILDINGS AND IMPROVEMENTS | |
|---|------------|
| Buildings and No. | Tribal/BIA |
| Captains Quarters | 102/203 |
| Captains Quarters | 103/204 |
| Commanding Officers Quarters | 104/205 |
| BIA Clubhouse | 105/206 |
| Officers Quarters | 106/207 |
| Officers Quarters | 107/208 |
| Officers Quarters | 108/209 |
| Officers Quarters | 109/210 |
| Officers Quarters | 110/211 |
| Officers Quarters | 111/212 |
| Officers Quarters | 112/213 |
| Commissary Storehouse | 113/224 |
| 1890 Guardhouse | 114/223 |
| Barracks | 115/227 |
| 1876 Guardhouse | 115A/228 |
| Boy's Dorm | 116/226 |
| Adjutant's Office | 117/225 |
| Stables | 121/217 |
| Quartermaster's Storehouse | 122/219 |
| Maintenance Shop | 123/222 |
| Quartermaster's Corral | 124/218 |
| Granary | 125/221 |

| FORT APACHE BUILDINGS AND IMPROVEMENTS | |
|---|---------|
| Buildings and No. | |
| Magazine | 126/216 |
| Residence Demolished 1986-87 | 128/214 |
| Residence Demolished 1986-87 | 129/215 |
| Residence Demolished | 130/201 |
| Stables Demolished | 131/220 |
| OTHER IMPROVEMENTS | |
| Landscaping & trees, fencing | |
| Water, & Sewer infrastructure | |
| Electrical infrastructure | |
| Roads, street lights, curbs and sidewalks | |