



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

**(Authorizing Tonto South Timber Sale and Addressing FATCO's Royalty Rate)**

- 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,** the Tribal Council of the White Mountain Apache Tribe is aware that the Fort Apache Timber Company (FATCO) and Tribal Forestry have been waiting to close out the Tonto South Timber Sale and previously addressed the fact that the closing of the Sale is over eight months late, *see Resolution No. 08-2009-276 and 10-2009-349*; and
- WHEREAS,** the Tonto South Timber Sale is of great importance to the Tribe and FATCO management expects it to play a vital role in FATCO's turnaround effort; and
- WHEREAS,** after refining the terms of the Tonto South Timber Sale and negotiating with the Bureau of Indian Affairs (BIA) to ensure that all federal regulations are adhered to, the BIA petitioned the Tribal Council for final review and support of the Tonto South Timber Sale; and
- WHEREAS,** in addition to the Tonto Timber Sale, FATCO's Acting General Manager Charles E. Peone raised the issue concerning FATCO's royalty rate and urges the Tribal Council to take action on this long-standing problem that has plagued FATCO and the Tribe by diminishing its capacity to efficiently spend its revenues on operating and business expenses; and
- WHEREAS,** the Tribal Council finds it in the best interest of the Tribe to continue supporting FATCO by authorizing the Tonto South Timber Sale Agreement with the BIA and further finds that Tribal Representatives from FATCO and Forestry should meet with their BIA counterparts for the purpose of determining a new royalty rate that is in the best interest of the Tribe and FATCO.

**BE IT RESOLVED** that the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes the Tribe to enter into an agreement with the BIA on behalf of FATCO pertaining to the Tonto South Timber Sale.

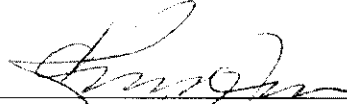
**BE IT FURTHER RESOLVED** by the Tribal Council that it hereby directs members of FATCO and Forestry to meet with the BIA and address concerns over the 29% ratio royalty and after negotiating the rate, which shall be no lower than 10% and no higher than 15%, the Tribal Council hereby authorizes the new royalty rate amount to be determined at a later date by the representatives described hereto.

**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.

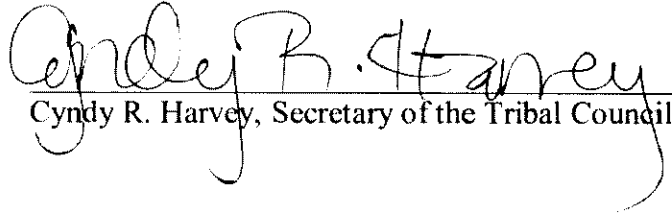
**Resolution No. 12-2009-401**

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

The foregoing resolution was on December 30, 2009, duly adopted by a vote of NINE 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), (c), (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).



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Ronnie Lupe, Chairman of the Tribal Council



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Cindy R. Harvey, Secretary of the Tribal Council