



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

(Establishing a 12% Ratio Royalty (Stumpage Rate) for Fort Apache Timber Company)

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, stumpage rates are set with the intent to financially profit from the sale of lumber, chips, poles and logs by the Fort Apache Timber Company (FATCO); and

WHEREAS, the General Manager of the Fort Apache Timber Company (FATCO) informed the Tribal Council of the need to adjust the current stumpage rate from twenty-nine percent (29%) ratio royalty to twelve percent (12%) ratio royalty; and

WHEREAS, the twenty-nine percent (29%) stumpage rate has had a detrimental impact on FATCO by contributing to its current financial hardship; and

WHEREAS, the Tribal Council has determined that it is in the best interest of the Tribe to adjust the current stumpage rate from twenty-nine percent (29%) ratio royalty to twelve percent (12%) ratio royalty.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the adjustment of the twenty-nine percent (29%) ratio royalty by reducing it to twelve percent (12%) ratio royalty.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the stumpage valuation system herein specified shall supersede any other pricing arrangement for forest products not covered by specific contract reference, under the terms of the FATCO Plan of Operations.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that this change shall become effective as of May 1, 2010.

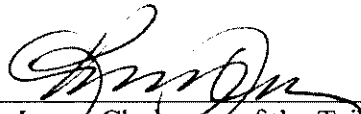
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall govern.

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

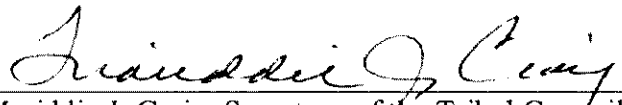
The foregoing resolution was on **JUNE 30, 2010** duly adopted by a vote of **NINE** for and **ONE** against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (b), (f), (h), (i), (s), (t) and (u) of the Constitution of the Tribe, ratified by the

Resolution No. 06-2010-187

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).



Ronnie Lupp, Chairman of the Tribal Council



Mariddie J. Craig, Secretary of the Tribal Council