



WHITE MOUNTAIN APACHE TRIBE

*A Sovereign Nation Exercising Self-Governance
Over the Fort Apache Indian Reservation*

Resolution No. 05-2012-43

(Adopting Articles of Incorporation for the Fort Apache Timber Company)

- WHEREAS,** the Tribal Council of the White Mountain Apache Tribe ("Tribe") has on this day been presented with a proposal by Planning Director Joe Waters, regarding the reoperation of the Fort Apache Timber Company ("FATCO") on the Fort Apache Indian Reservation ("Reservation"); and
- WHEREAS,** various proposals addressing the future of FATCO were presented to the Tribal Council over the last two years, however, due to fundamental and philosophical difference over the appropriate direction of the enterprise, the governing body was unable to come to a compromise on achieving a new management plan for the lumber mill; and
- WHEREAS,** in addition to political differences, there were then and there continues to be deep financial concerns that have complicated the Tribe's ability to reinitiate logging on the Reservation, and without an appropriate roadmap to recovery, the Tribe has been reluctant to move forward on addressing the fate of FATCO; and
- WHEREAS,** it is the recommendation of the Tribe's Planning Department, along with that of several members of the Tribal Council that the Tribe would best be served by supporting a policy that is cognizant of past administrative success as well as the errors that led to the shutting down of FATCO operations in 2010; and
- WHEREAS,** the Tribal Council recognizes that when FATCO flourished for several decades, the enterprise operated as a standalone entity that received minimal political interference from the governing body. When politics inserted themselves into the business environment, the politicization and self-serving acts of government officials clearly led to the demise of FATCO, formerly a great source of pride for the Apache people; and
- WHEREAS,** Planning Director Joe Waters recommends that the Tribal Council take action to adopt an articles of incorporation for FATCO that would separate the enterprise from the Tribe and reestablish it as an independent business operating under its own management structure. FATCO management should be comprised of a Board of Directors that will be governed by operating bylaws and under the care of a third party that is highly skilled, experienced and well-connected in the timber market; and
- WHEREAS,** the Tribal Council finds it in the best interest of the Tribe to support the plan to reinvest in and revive the Fort Apache Timber Company for the benefit of Apache people and to serve as a strong business foundation that will once again provide great economic benefits that will only strengthen the Tribe and help the White Mountains Region as we endure the otherwise difficult economic times.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby adopts the Articles of Incorporation as drafted and presented by the Tribe's outside legal counsel and proposed by the Planning Department. The Articles of Incorporation will primarily serve to provide separation of the FATCO enterprise from the Tribe, so that the entity may self-regulate and administer its own operations under the management of third party professionals best suited to administer business operations and return it to a state of profitability that will strengthen the Tribe financially and provide other indirect economic benefits to all residents and visitors of the greater White Mountain Region.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall supersede and govern over the conflicting subject matter.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event this Resolution directly conflicts with the Tribal Constitution, Tribal Ordinances or Federal Laws, this Resolution shall be declared null and void and have no legal effect. This Resolution shall not be subject to Judicial Interpretation, only the Tribal Attorney, with the assistance of the Tribal Council Secretary, may opine on Tribal Council intent and the meaning of the language as used herein.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Acting Chairman, is hereby authorized to execute any and all documents necessary to effectuate the intent of this Resolution. In the event that the Chairman fails to delegate signatory authority to an Acting Chairman, the Vice-Chairman may sign provided that the Tribal Secretary and a Tribal Attorney attest to the veracity of the subject matter of this Resolution.


The foregoing resolution was on May 16, 2012 duly adopted by a vote of EIGHT 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), (f), (i), (k), (s), (t) and (u) of the Tribal Constitution, 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).



Ronnie Lupe, Chairman

5-25-12

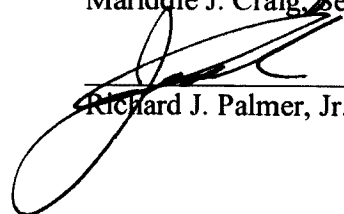
Date



Mariddie J. Craig, Secretary

5-23-2012

Date



Richard J. Palmer, Jr., Attorney

5/25/12

Date