



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

**(Authorization of WMATCO Management Agreement Terms For Dispute Resolution
and Waiver of Sovereign Immunity)**

WHEREAS, the Tribal Council on May 20, 2013, authorized the Tribe’s wholly owned company, WMATCO, LLC to negotiate and enter into agreements for operation and administrative and sales operations at the former FATCO sawmill; and

WHEREAS, the agreements included a waiver of the company’s sovereign immunity from suit for contract enforcement purposes, which require Tribal Council approval under the terms of the WMATCO LLC Operating Agreement; and

WHEREAS, WMATCO has completed contract negotiations with Affiliated Timber Investment Conversion Advisors, Inc., (“Atica”) and Ochoco Management, Inc.; and

WHEREAS, the final dispute resolution provisions and terms for the waiver of sovereign immunity in the Atica and Ochoco contracts differ from those presented and approved in the May 20, 2013 Tribal Council Resolution; and

WHEREAS, the WMATCO Board of Directors request approval for the revised terms and after review of the proposed contract terms which contains the revised conditions for the resolution of disputes and waivers of immunity, the Tribal Council finds the terms are appropriate and acceptable.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes WMATCO, LLC, to enter into agreements with Affiliated Timber Investment Conversion Advisors, Inc., and Ochoco Management, Inc., for the purposes set forth above, which allow for the limited waiver of WMATCO’s sovereign immunity from suit, including an action in the courts of the State of Arizona, in terms which are similar to those as follows:

Limited Waiver of Immunity

- WMATCO expressly agrees to a limited waiver of its sovereign immunity for an action by the contracting party for resolution of disputes to enforce or defend any rights under its contract agreement.
- WMATCO does not waive any defense of sovereign immunity against, and does not consent to be sued for any action by third persons or persons or entities not a party to the contract agreement.
- The waiver is expressly limited to the contract agreement and shall not be deemed to waive the sovereign immunity of the White Mountain Apache Tribe.

Dispute Resolution

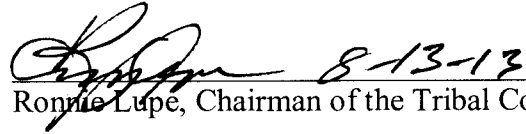
- **Governing Law.** Except as may be otherwise expressly provided herein, this Agreement shall be construed in accordance with and governed by the laws of the State of Arizona (excluding conflicts of law provisions) and applicable federal law. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under such applicable law, but, if any provision of this Agreement shall be held to be prohibited or invalid under such applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. The parties shall endeavor in good-faith negotiations to replace any invalid, illegal or unenforceable provisions with a valid provision the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provision.
- **Arbitration.** Any claim arising out of or related to this Agreement will be resolved exclusively by arbitration through an established arbitration provider mutually agreed upon by the parties. The parties agree that the number of arbitrators will be one, and such arbitrator will be appointed in accordance with the rules of the selected arbitration provider. The place of arbitration will be Whiteriver, Arizona. The award rendered by the arbitrator will be final, binding, and nonappealable, and judgment may be entered on the award in any court having jurisdiction. The parties may endeavor to resolve disputes by mediation at any time as they may agree, provided, however, that resolution of disputes by mediation is not required prior to initiating resolution of disputes by arbitration. Notwithstanding anything to the contrary in this paragraph, either party may, without waiving any remedy under this Agreement, seek temporary or provisional equitable relief to enforce the terms of this Agreement pending the appointment of the arbitrator (or pending the arbitrator's determination of the merits of the controversy). The parties agree that any court of the follow courts will have jurisdiction with respect to such claims for equitable relief: (1) the United States District Court for the District of Arizona; (2) the Superior Court for Navajo County, Arizona, or (3) if the parties mutually agree, the Tribal Courts of the White Mountain Apache Tribe.
- **Prevailing party.** The fees and expenses and other costs of the arbitration proceeding shall be borne equally by the parties. Each party will pay for its own costs and attorney fees, if any, provided that prevailing party will be entitled to an award of all its arbitration fees and costs and attorney fees and costs, including expert witness fees.

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.

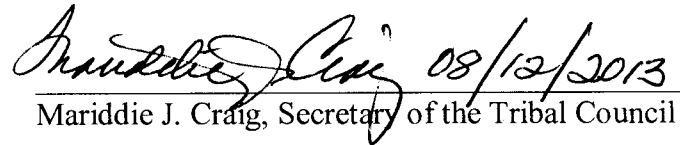
The foregoing resolution was on AUGUST 7, 2013 duly adopted by a vote of SEVEN for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (f), (h), (i), (s), (t) and (u) of the Constitution of the Tribe, ratified by the

Resolution No. 08-2013-168

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).

 8-13-13

Ronnie Lupe, Chairman of the Tribal Council

 08/12/2013

Mariddie J. Craig, Secretary of the Tribal Council