



WHITE MOUNTAIN APACHE TRIBE
A Sovereign Tribal Nation

**(Approving Terms of a Reserve Draw to Pay Quarterly
Interest Payments for WMATCO, LLC)**

WHEREAS, the Tribal Council has this day had extensive discussions about the status of the WMATCO sawmill with the WMATCO management team, as well as with the lenders and the investor under the New Market Tax Credit financing which had enabled the sawmill to resume operation; and

WHEREAS, the discussions have focused on the challenges in meeting revenue projections and the steps needed to bring the mill to profitability and stable operation; and

WHEREAS, there has been a default in payment under that certain Loan Agreement dated September 6, 2013; and

WHEREAS, the Tribal Council recognizes the important role which the commercial operation can serve for the Tribe, and the Council strongly supports the opportunities for employment and meaningful careers which are provided through a strong and viable commercial logging and lumber program; and

WHEREAS, in order to make the outstanding quarterly interest payment required under that certain Loan Agreement, the mill requires a draw from the reserve fund, known as the WMAT Pledge Account, which had been established to cover additional operational costs; and

WHEREAS, in order to make its future quarterly interest payments as they become due under the Loan Agreement the mill may require subsequent draws from the WMAT Pledge Account; and

WHEREAS, the Lenders under the certain Loan Agreement will continue to use the payments that are otherwise payable to the Tribe under the project financing to replenish the WMAT Pledge Account.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the draw from the New Market Tax Credit financing reserve fund, known as the WMAT Pledge Account, to pay the outstanding debt service payments under the Loan Agreement.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes the use of the WMAT Pledge Account to pay all quarterly interest payments, beginning with the outstanding September 2016 quarterly payment, and continuing each quarter thereafter for as long as there are sufficient funds available and the Chairman has approved the same.

Resolution No. 11-2016-233

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 any material facts concerning the issues presented are later found to be false, this Resolution shall be deemed null and void and have no legal effect.

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 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 **NOVEMBER 9, 2016** duly adopted by a vote of **TEN** for, **ZERO** against, and **ZERO** abstentions by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it under the enumerated powers listed in Article IV, Section 1 of the WMAT Constitution, so ratified on September 30, 1993, and federally recognized pursuant to Section 16 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984).

Ronnie Lupe
Ronnie Lupe, Tribal Chairman

11/16/16
Date

Doreen T. Numkena
Doreen T. Numkena, Tribal Secretary

11-16-16
Date

Adkins