RESOLUTION OF THE
RESOURCES AND DEVELOPMENT COMMITTEE
24th Navajo Nation Council --- Second Year, 2020

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE; REAPPOINTING LORENZO MAXX TO SERVE ON THE MANAGEMENT BOARD OF THE NAVAJO NATION HOSPITALITY ENTERPRISE

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Resources and Development Committee is a standing committee of the Navajo Nation Council. 2 N.N.C. § 500.

B. The Resources and Development Committee has the authority to give final approval for appointments to Navajo Nation enterprises. 2 N.N.C. § 501(B)(9).

C. According to the Plan of Operation for the Navajo Nation Hospitality Enterprise ("NNHE"), the Resources and Development Committee has the authority to approve appointments to the NNHE Management Board "[i]f the President of the Navajo Nation fails to nominate persons for service on the Management Board within the time limits set forth in subsections (C) and (G) of this section, the Economic Development Committee [now the Resources and Development Committee] may, but shall not be required to, nominate and confirm appointments to the Management Board on its own initiative." Approved by CD-79-02, Article V.H., attached as **Exhibit 1**, Subexhibit B.

SECTION TWO. FINDINGS

A. Each Navajo Nation Hospitality Enterprise Board member shall serve for a three-year term pursuant to the NNHE Plan of Operation. Approved by CD-79-02, Article V.A., attached as **Exhibit 1**, Subexhibit B.

B. The President of the Navajo Nation is to appoint a Board member up to 60 days prior to the expiration of his/her term. CD-79-02, Article V.C., Article V.G., attached as **Exhibit 1**, Subexhibit B. In this case, the President has not appointed a Board member to fill the vacancy created by the expiration

of the term of Board member Lorenzo Maxx, which was June 30, 2015.

C. In such case, where the President has not nominated a person for service on the Board within the 60-day time limit specified in the Plan of Operation, the Resources and Development Committee has the authority to nominate and confirm the appointment of Lorenzo Maxx, on its own initiative. CD-79-02, Article V.H., attached as **Exhibit 1**, Subexhibit B.

D. Lorenzo Maxx fulfills the requirements for reappointment. See **Exhibit 2**.

E. It is in the best interest of the Navajo Nation that Lorenzo Maxx be reappointed to the position on the NNHE.

SECTION THREE. APPOINTMENT

The Resources and Development Committee of the Navajo Nation Council hereby reappoints Lorenzo Maxx to the Management Board of the Navajo Nation Hospitality Enterprise. He shall be reappointed for a three-year term, as provided for in the NNHE Plan of Operation.

CERTIFICATION

I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 24th Navajo Nation Council at a duly called meeting held by a teleconference for which a quorum was present and that same was passed by a vote of 5 in favor, and 0 opposed, on this 14th day of October 2020.

Rickie Nez, Chairperson
Resources and Development Committee
of the 24th Navajo Nation Council

Motion: Honorable Herman M. Daniels
Second: Honorable Kee Allen Begay, Jr.

Chairperson Rickie Nez not voting.

Most current as of:
August 17, 2011/jp

EXHIBIT
1

CD-79-02

RESOLUTION OF THE
NAVAJO NATION COUNCIL

Adopting the Navajo Nation Hospitality Enterprise ("NNHE") Enabling Legislation and Approving Amendments to the NNHE Plan of Operation, Including Specifically Amended Article XVI of the NNHE Plan of Operation Relating to Waiver of NNHE's Sovereign Immunity in Non-Navajo Courts

WHEREAS:

1. Pursuant to 2 N.N.C. §102 (A)(1995), the Navajo Nation Council is the governing body of the Navajo Nation; and

2. The Navajo Nation Hospitality Enterprise ("NNHE") was originally established in 1982 as an enterprise of the Navajo Nation pursuant to Resolution ACO-118-82, and was most recently continued in 1989, pursuant to 5 N.N.C. §1841 et seq., as an enterprise of the Navajo Nation with its principal office in Window Rock, Navajo Nation (Arizona) primarily to establish and maintain an independent, self-sufficient, and successful business entity to generate revenue for the Navajo Nation, provide Navajo employment and training opportunities, provide commercial office space, and provide professional motel and restaurant services and quality facilities to the traveling public, while enjoying the attributes of Navajo Nation sovereignty; and

3. The Economic Development Committee of the Navajo Nation Council, pursuant to its oversight authority under 2 N.N.C. §724, has requested that all Navajo Nation enterprises propose amendments to their respective plans of operation to improve profitability, to limit the potential for interference in business activities by government officials, and to conform to an enabling legislation model; and

4. By resolution dated November 1, 2002 attached hereto as Exhibit "C", the NNHE Management Board recommended enactment of the enabling legislation attached hereto as Exhibit "A" and the amendment of its Plan of Operation, such amendments reflected in the attached Exhibit "B"; the proposed amendments to the NNHE Plan of Operation concern, among other things, waivers by NNHE of its sovereign immunity in non-Navajo courts; and any such amendment requires the approval of the Navajo Nation Council; and

5. By Resolution EDCD-113-02 attached hereto as Exhibit "D", the Economic Development Committee of the Navajo Nation Council recommended the enactment of such enabling legislation and the approval of such amendments to the NNHE Plan of Operation by the Navajo Nation Council; and

6. By Resolution JCD-15-02 attached hereto as Exhibit "E", the Judiciary Committee of the Navajo Nation Council recommended the enactment of such enabling legislation and the approval of such amendments to the NNHE Plan of Operation by the Navajo Nation Council; and

7. By Resolution BFD-194-02 attached hereto as Exhibit "F", the Budget and Finance Committee of the Navajo Nation Council recommended the enactment of such enabling legislation and the approval of such amendments to the NNHE Plan of Operation by the Navajo Nation Council; and

8. By Resolution GSCD-83-02 attached hereto as Exhibit "G", the Government Services Committee of the Navajo Nation Council recommended the enactment of such enabling legislation and the approval of such amendments to the NNHE Plan of Operation by the Navajo Nation Council; and

9. The Navajo Nation Council determines that it is in the best interest of the Navajo Nation and NNHE to adopt the NNHE enabling legislation attached hereto as Exhibit "A" and to approve and adopt the amendments to the NNHE Plan of Operation attached hereto as Exhibit "B", including Article XVI of such Exhibit "B" relating to NNHE's ability to waive its sovereign immunity and, specifically, the changes to such Article XVI of such Exhibit "B" related to such waivers of NNHE's sovereign immunity in non-Navajo forums.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Navajo Nation Council hereby adopts the Navajo Nation Hospitality Enterprise enabling legislation as set forth in the attached Exhibit "A".

2. The Navajo Nation Council hereby approves and adopts the amendments to the Navajo Nation Hospitality Enterprise Plan of Operation, so that such Plan of Operation shall be as set forth in the attached Exhibit "B", this approval including

Article XVI of such Exhibit "B" relating to NNHE's ability to waive its sovereign immunity and, specifically, the changes to such Article XVI of such Exhibit "B" related to such waivers of NNHE's sovereign immunity in non-Navajo forums.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 61 in favor, 4 opposed and 0 abstained, this 30th day of December 2002.

Edward T. Begay

Edward T. Begay, Speaker
Navajo Nation Council

12/31/02
Date

Motion: Willie Grayeyes
Second: Peterson Yazzie

ACTION BY THE NAVAJO NATION PRESIDENT:

1. I hereby give notice that I will not veto the foregoing legislation, pursuant to 2 N.N.C. Section 1005 (C) (10), on this 8th day of January 2003.

Kelsey A. Begaye, President
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. Section 1005(C)(10) this _____ day of _____ 2003 for the reason(s) expressed in the attached letter to the Speaker.

Kelsey A. Begaye, President
Navajo Nation

Most current as of:
August 17, 2011/jp

EXHIBIT "A"

TITLE 5. NAVAJO NATION CODE

Subchapter 9. Navajo Nation Hospitality Enterprise

§ 1841. Establishment

A. The Navajo Nation Hospitality Enterprise ("NNHE") is hereby continued and established as an enterprise of the Navajo Nation.

B. NNHE is a constituent part of the Navajo Nation and is and shall be wholly owned by the Navajo Nation.

C. NNHE has and shall possess all of the attributes of Navajo sovereignty. including but not limited to immunity from suit. freedom from levy and execution, and exemption from state. federal and tribal taxes, unless, by either contract approved by NNHE in conformity with its Plan of Operation or by resolution of the Navajo Nation Council, any such attribute of sovereignty is expressly waived or abrogated as to NNHE or to any transaction involving NNHE.

§ 1842. Purpose

NNHE is organized to:

A. work in conjunction with governmental agencies of the Navajo Nation to expand employment, training and management opportunities for the Navajo people, and to stimulate economic development throughout Navajo Indian country;

B. establish and maintain an independent, profitable, growing, financially self-sustaining and successful Navajo Nation-owned business enterprise;

C. generate revenue for the Navajo Nation; and

D. provide professional motel and restaurant, retail, wholesale, and recreational (including gaming as authorized by the Navajo Nation in accordance with applicable Navajo and federal law) services and quality facilities to the public.

§ 1843. Organization

A. The business and affairs of NNHE shall be managed by a five-person Board of Directors, the members of which shall meet the qualifications established in NNHE's Plan of Operation. The Board of Directors shall conduct its business in a similar manner as boards of directors of successful corporations in the hospitality business, to the extent feasible and permitted under NNHE's Plan of Operation and other applicable Navajo law.

B. The Board of Directors shall set the policies for NNHE and ensure compliance with such policies. The Board of Directors shall hire the Chief Operating Officer of NNHE under a written contract, and shall supervise, adjust the compensation for, and otherwise reward and

EXHIBIT "A"

discipline such Chief Operating Officer consistent with such contract and any applicable Navajo law.

C. The Chief Operating Officer shall manage and administer the day-to-day operations of NNHE. The Chief Operating Officer shall be responsible and accountable to the Board of Directors.

§ 1844. **Legislative Oversight**

NNHE shall operate under the legislative oversight of the Economic Development Committee of the Navajo Nation Council, pursuant to 2 N.N.C. § 724 (E) (1995). NNHE shall operate pursuant to a Plan of Operation recommended by the NNHE Board of Directors in consultation with the President of the Navajo Nation and adopted by such Committee.

§ 1845. **Amendments**

This NNHE enabling legislation, 5 N.N.C. §§ 1841 - 1845, may be amended from time to time by the Navajo Nation Council upon the recommendation of the Economic Development Committee of the Navajo Nation Council, after consultation between such Committee and the President of the Navajo Nation and the Board of Directors of NNHE.

OFFICE OF LEGISLATIVE COUNSEL
RECEIVED

EXHIBIT "B"

Most current as of:
August 17, 2011/jp

NAVAJO NATION HOSPITALITY ENTERPRISE
PLAN OF OPERATION

Article I. Establishment as Independent Enterprise

The "Navajo Nation Hospitality Enterprise" is continued and reauthorized as a Navajo Enterprise under the laws and authority of the Navajo Nation as an enterprise of the Navajo government, managed and operated in accordance with this Plan of Operation. The "Enterprise," for purposes of this Plan of Operation, includes all of its properties, operations, facilities, divisions and/or subsidiaries. Its duration shall be perpetual unless terminated in accordance with Navajo law.

Article II. Name, Place of Business, and Seal

A. The name of this Enterprise shall be the Navajo Nation Hospitality Enterprise. The principal place of business shall be known as the Navajo Nation Inn, located in Window Rock, Navajo Nation (Arizona).

B. An official seal for the Enterprise was adopted and approved by Resolution ACAP 84-87 (Apr. 15, 1987). The adoption of any new official seal shall require the approval of the Navajo Nation Hospitality Enterprise Management Board, subject to the further approval of the Economic Development Committee of the Navajo Nation Council.

Article III. Purposes

The Enterprise is organized for the purposes of establishing an independent, profitable, growing, financially self-sustaining, and successful Navajo business enterprise which will generate revenue for the Navajo Nation, provide Navajo employment and training opportunities, provide commercial office space, and provide professional motel and restaurant, retail, wholesale, and recreational (including gaming as authorized by the Navajo Nation in accordance with applicable Navajo and federal law) services and quality facilities to the public.

Article IV. Method of Operation

The operation of this Enterprise shall be patterned as closely as feasible to the best operational practices of existing Navajo enterprises, or to the practices of a business corporation similar in nature and magnitude with a management board comparable to a board of directors of such a corporation.

Article V. Management Board

A. The Management Board shall consist of five (5) members appointed for staggered three-year terms by the President of the Navajo Nation with the concurrence of the Economic Development Committee of the Navajo Nation Council.

B. Of the five (5) Board members appointed, one(1) member must be an experienced Navajo business person, one (1) member from the Government Services Committee of the Navajo Nation Council, one (1) from the Economic Development Committee of the Navajo Nation Council, and two (2) members must have recognized expertise and substantial management experience in the

Exhibit "B"

motel-restaurant industry. No other employee of the federal or Navajo Nation government shall be a member of the Management Board. No Board member shall be an employee of the Enterprise.

C. Between thirty and sixty days prior to the expiration of the term of any Board member, the President of the Navajo Nation shall appoint a qualified person to fill the expected vacancy. Such appointment shall be subject to the approval of the Economic Development Committee of the Navajo Nation Council.

D. A Board member may resign, by submitting a written notice of resignation, and such resignation shall be accepted by the Board at the next Board meeting.

E. Any member of the Board may be removed for cause by a majority vote of the members of the Board taken at a duly called meeting or by the Economic Development Committee of the Navajo Nation Council at a duly called meeting of said Committee after the Committee has had the opportunity to fully review the matters constituting cause for removal and after allowing any Board member so affected to appear before the Committee and respond to allegations which constitute cause for removal. Cause for removal includes the following:

1. Such a member has failed to attend any four (4) meetings of the Board out of any eight (8) consecutive meetings unless such absences are excused by the Board; or

2. Such a member has been convicted of any crime reflecting upon such member's honesty or ability to fulfill the fiduciary obligations imposed by law upon such member; or

3. The Board has found, in a meeting wherein such a topic is scheduled for discussion, that such member has been adjudged in any action, suit, or other lawful proceeding to be liable for negligence or misconduct in the performance of management duties; or

4. Such member violates the disclosure requirements of Article VII(K)(1) or (2) of this Plan of Operation, or any provision of the Navajo Nation Ethics in Government Act.

5. Such member has knowingly or negligently permitted the Enterprise to be substantially mismanaged and unprofitable.

F. A vacancy shall exist from the date of any Board meeting at which a Board member is removed or whose resignation is accepted as provided hereinabove.

G. The Management Board shall immediately notify the President of the Navajo Nation of vacancies resulting from removal or resignation. The President of the Navajo Nation shall appoint a qualified person to fill any vacancy in the Management Board within sixty (60) days of the Management Board meeting where such vacancy occurs. The new Management Board appointment shall be subject to the approval of the Economic Development Committee of the Navajo Nation Council.

H. If the President of the Navajo Nation fails to nominate persons for service on the Management Board within the time limits set forth in subsections (C) and (G) of this section, the Economic Development Committee may, but shall not be required to, nominate and confirm appointments to the Management Board on its own initiative.

Article VI. Authority

A. Subject to applicable federal and Navajo Nation laws and regulations, the Management Board shall have the following authority and shall exercise the following powers and duties:

1. The Management Board shall have full authority and responsibility for the management and operation of the Enterprise.

2. The Management Board is authorized to direct the operation of the Enterprise to accomplish the purposes set forth in Article III hereof and to exercise the powers set forth below without previous authorization or subsequent approval, and all parties dealing with the Enterprise shall have the right to rely upon any action taken by the Management Board pursuant to such authorization.

a. The Management Board shall exercise full authority and responsibility for the custody, management and maintenance of all Enterprise facilities and property.

b. The Management Board shall also be responsible for the planning, construction, acquisition, and management of all new or additional Enterprise facilities or operations.

c. The Management Board shall function in much the same capacity as an elected Board of Directors of a chartered corporation and shall be responsible:

(1) For making financial decisions, subject to the limitations contained herein or which may be included in any advance of funds;

(2) For the establishment and maintenance of effective operating policies and procedures;

(3) For the selection of the Chief Operating Officer; and

(4) For guiding the Chief Operating Officer in the performance of his/her duties.

d. The Management Board shall exercise its authorized powers in the best interests of the Navajo Nation and within the limits of responsible business judgment, with the express limitation that it shall not incur obligations in excess of the ability of the Enterprise to make timely payment.

e. The Management Board shall have the authority to act on behalf of the Enterprise within the scope of its authorized purposes and subject to applicable laws and regulations.

f. The Management Board shall have the authority to elect officers, appoint agents, and select attorneys, auditors, accountants and other consultants as may be needed from time to time by the Enterprise and to define their duties and compensation. The Management Board, at the expense of the Enterprise, shall require bonding of the Chief Operating Officer and all other officers, agents or employees directly responsible for funds or property of the Enterprise.

g. Subject to the provisions of Article VI(A)(2)(d), (A)(2)(j), and (A)(2)(l), the Management Board shall have the authority to own, acquire, construct, utilize, improve, maintain, operate and manage in the ordinary course of business for the purposes set forth in Article III all real property of the Enterprise. Pursuant to such authority, the Management Board shall have the authority to execute any and all necessary documents, commercial office space leases, or other legal instruments for Enterprise land, buildings, and other real property, and may negotiate and enter into other leases, subleases or mortgages of Enterprise real property in accordance with and as may be required by the laws of the Navajo Nation and this Plan of Operation.

h. The Management Board shall have the authority to acquire, hold, own, manage, operate, pledge, exchange, deal in and dispose of all Enterprise personal property in the ordinary course of business for the purposes set forth in Article III.

i. The Management Board shall have the authority to acquire, hold, own, use, license, lease, and sell any interest in and to inventions, improvements, letters,

patents, licenses, formulas, privileges, processes, copyrights, trade names, trademarks and all applications therefor, provided that title of all such acquisitions shall be taken in the name of the Navajo Nation, and, provided further, that any conveyance of licenses, privileges, trade names, or trademarks shall not be valid unless approved by resolution of the Economic Development Committee of the Navajo Nation Council.

j. The Management Board shall have the authority to borrow funds and make any guaranty respecting indebtedness, interest, contracts or other obligations lawfully entered into by or on behalf of the Enterprise; provided (1) that such guaranty is made pursuant to the purposes set forth in Article III; (2) that the Enterprise shall not incur obligations in excess of its ability to repay as required; (3) that liability for such obligations be limited to the available assets of the Enterprise; and (4) that property subject to restrictions on alienation or otherwise held in trust status may not be used as security of any sort without the consent of the Economic Development Committee of the Navajo Nation Council and such other approval as may be required by the laws of the Navajo Nation and other applicable law.

k. The Management Board shall have the authority to designate and approve all depositories used for the deposit of funds of the Enterprise.

l. The Management Board shall have the authority to enter into, make, perform, carry out, cancel, or rescind contracts for any lawful purposes set forth in Article III and subject to the express limitation that the Enterprise not incur obligations in excess of its ability to repay as required, and may delegate as much of this contractual authority as may be advisable and practical to the Chief Operating Officer of the Enterprise, or to the Chairman of the Management Board. Any contract hiring or retaining an attorney is subject to applicable federal and Navajo laws, rules and regulations.

m. The Management Board shall have the authority to recommend amendment or revision of this Plan of Operation to the Economic Development Committee of the Navajo Nation Council whenever deemed appropriate to improve the operation and management of the Enterprise.

n. The Management Board shall have the authority, on behalf of the Enterprise, to form, under the laws of the Navajo Nation or of any state or other appropriate jurisdiction, corporations, and to own shares of stock in such corporations, and to form partnerships and engage in activities as a limited or general partner, and to form joint ventures and engage in activities as a joint venturer, and to form other legal entities when the formation of such corporations, partnerships, joint ventures, or other legal entities are necessary, proper, advisable or convenient to effect any or all of the purposes for which the Enterprise is organized, and subject to the prior approval of the Economic Development Committee of the Navajo Nation Council.

o. The Management Board shall have and exercise all other powers necessary, proper, advisable or convenient to effect any or all of the purposes for which the Enterprise is organized, subject to applicable laws and regulations, and this Plan of Operation.

B. The powers enumerated herein shall not be construed as purposes by the Enterprise. The Enterprise shall have and exercise such powers solely in furtherance of, but not in addition to, the purposes set forth in Article III of this Plan of Operation.

C. The Enterprise shall indemnify any officer, Managing Agent, employee or member of the Management Board or former officer, Managing Agent, employee or member of the Management Board, or any person who may have served at its request as an officer, Managing Agent, employee, or member of the Management Board against reasonable expenses actually and necessarily incurred by such person in connection with the defense of any action, suit, or proceeding in which such person is made a party by reason of being, or having been, such officer, Managing Agent, employee, or member of the Management Board except in relation to matters as to which such person shall be adjudged in such action, suit or proceeding to be liable for gross negligence or wilful misconduct in the performance of duty, or except in relation to matters in which such person was acting beyond the scope of such person's employment or authority.

D. The Enterprise shall also reimburse any officer, Managing Agent, employee or member of the Management Board for reasonable costs of settlement of any such action, suit, or proceeding if it shall be found by a majority of the Management Board that it is in the best interest of the Enterprise and the Navajo Nation that such settlement be made and that such person was not guilty of gross negligence or wilful misconduct, and the Economic Development Committee of the Navajo Nation Council has concurred with the findings of the Management Board and further determined that such a settlement does not involve Navajo Nation real or personal property. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such person may be entitled.

E. Nothing in this section shall be construed as a waiver of the sovereign immunity of the Enterprise and/or the Navajo Nation.

Article VII. Operation.

A. The Management Board shall elect from its own membership a Chairman of the Board, a Vice-Chairman, and a Secretary-Treasurer.

B. The Management Board shall adopt such rules as it may deem necessary for the orderly conduct of its business and Board meetings. The Management Board may establish and disestablish committees of its members as it deems prudent from time to time, including an Audit Committee, which, if established, shall substantially follow any applicable Rules for Audit Committees of the American Institute of Certified Public Accountants, as those rules may be amended from time to time.

C. Management Board members shall be reimbursed for actual travel, lodging expenses, meals, and other costs and expenses incurred which are directly attributable to attendance at duly called Board meetings, or are otherwise incurred for the benefit of the Enterprise pursuant to the prior authorization, request, or direction of the Management Board or Chief Operating Officer. At its discretion, the Management Board may pay a flat stipend of no more than $250 per Board meeting (not day) to each Board member in attendance, or in any other amount that the Navajo Nation may authorize generally pursuant to amendments to 5 N.N.C. § 1991 (1995) or otherwise. All Board expenses and stipends shall be paid from Enterprise funds budgeted for that purpose. Management Board members shall be entitled to reimbursement, as above, for attendance at duly called Board meetings, where due to absences of other Board members, a quorum is not present.

D. The Management Board shall meet quarterly upon proper written notice of the time, place and agenda. Additional meetings shall be allowed on an emergency or special meeting basis, where the Chairman of the Management Board makes a determination that circumstances exist

which constitute an emergency or which require a special meeting in addition to those generally authorized herein.

E. Subject to subsection (D) above, special meetings, strategic meetings, and working sessions may be called by the Chairman of the Board. Regular procedures shall apply, except not less than five (5) days' notice shall be given. Such meetings deemed by the Management Board Chairman to be urgent may be held in person or by telephone conference call with some or all members of the Board participating via telephonic connection.

F. The Management Board shall designate an annual meeting date which shall be recognized thereafter. The Management Board shall notify the Chairperson of the Economic Development Committee of the Navajo Nation Council of the date of such annual meeting at least thirty days prior to such meeting. Regular meeting procedures shall apply and the annual meeting shall be considered one of the Board's regular meetings.

G. Provisions for notice of meetings are as follows:

1. Notice of meetings stating the time, date, place and agenda shall be given in writing by prepaid letter, facsimile, electronic mail, or other written telecommunication, properly addressed to each Board member according to the latest available Enterprise records, not later than thirty (30) calendar days immediately preceding the meeting excluding the day of the meeting, provided that special meetings may be called with no less than five (5) days' notice or other reasonable notice unanimously agreed upon by the Board members.

2. Notice may be waived in writing, signed by the member or members entitled to such notice; whether before or after the time stated therein, and such waiver shall be deemed equivalent to the giving of such notice. Attendance of any member at a Board meeting shall constitute a waiver of notice.

3. Actions by the Board taken at any meeting held without compliance with the above notice requirements shall be void and beyond the scope of the Board's authority unless thereafter ratified by resolution of the Management Board.

H. Three (3) members of the Management Board shall constitute a quorum for the transaction of any business. Each Board member shall have one (1) vote on all matters. The act of a simple majority of the members present and voting at a duly called meeting at which a quorum is present shall be the act of the Board. The Chairman of the Management Board may cast a vote on any matter being considered by the Management Board.

I. The Chairman of the Management Board shall make arrangements for minutes to be taken of the Board's meetings. Such Board minutes shall be made available ten (10) days after each meeting to the Board members and the Chief Operating Officer. Board minutes shall be provided promptly to the Economic Development Committee of the Navajo Nation Council upon the written request of such Committee.

J. The Chairman of the Management Board shall present a formal annual report each May to the Economic Development Committee of the Navajo Nation Council on its activities including a summary of the budget which the Management Board has approved for that fiscal year.

K. Provisions for disclosure of conflicts of interest are as follows:

1. No contract or other transaction between the Enterprise and any one of the members of the Management Board, or between the Enterprise and any corporation, partnership, firm or other legal entity in which any member of the Management Board has a direct or indirect interest shall be valid for any purpose, unless the entire interest of such member in such corporation, firm or other legal entity is fully disclosed to the Management

Board and the proposed contract or transaction is approved by the affirmative vote of a majority of the entire Management Board who are not so interested. The Management Board shall submit any such contract or transaction for further approval at any regular meeting of the Ethics and Rules Committee of the Navajo Nation Council. Any such contract or transaction which is approved by a vote of the Ethics and Rules Committee shall be valid and binding upon the parties.

2. The Management Board shall submit any contract or transaction with the Enterprise wherein a Navajo Nation officer or employee may have a direct or indirect interest in the matter or transaction to any regular meeting of the Ethics and Rules Committee of the Navajo Nation Council for approval. Any such contract or transaction which is approved by a vote of the majority of the Ethics and Rules Committee of the Navajo Nation Council shall be valid and binding upon the parties.

3. This section shall be subject to any additional requirements of or regulations adopted pursuant to the Navajo Nation Ethics in Government Law (2 NNC §§ 3741 *et seq.*).

Article VIII. Principal Officers of the Enterprise

A. The principal officers of the Enterprise shall consist of the following:

1. A Chairman of the Management Board;
2. A Vice-Chairman of the Management Board;
3. A Secretary-Treasurer of the Management Board; and
4. A Chief Operating Officer who shall not be a member of the Management Board.

At the sole discretion of the Management Board, a Managing Agent may be designated to assume the responsibilities of the Chief Operating Officer, and any reference in this Plan of Operation to the Chief Operating Officer shall be deemed to include and apply to such Managing Agent.

B. The officers of the Enterprise shall have the following duties and such other duties as may be determined by resolution of the Management Board not inconsistent with applicable law or this Plan of Operation.

1. The Chairman of the Management Board shall be elected from among the members of the Board, shall preside at all meetings of the Board, if present, and shall, in general, perform all duties incident to the Office of the Chairman of the Board and such other duties as from time to time may be assigned by the Management Board.

2. The Vice-Chairman shall be so elected, and shall act in the capacity of the Chairman in the absence of the latter, and shall discharge any other duties delegated by the Chairman.

3. The Secretary-Treasurer shall be so elected, and shall ensure that the Enterprise's Plan of Operation, by-laws, resolutions, minutes, policies, procedures, and financial books and records are properly maintained and organized.

4. The Chief Operating Officer shall be the principal operating executive of the Enterprise, shall direct all parts of the actual operations, shall be responsible to the Management Board as a principal operating executive of a corporation would be, and shall render reports to the Board and perform all other functions and duties specified in Article IX hereof. The Chief Operating Officer shall also furnish to the Management Board as requested clerical and stenographic personnel and equipment needed to record minutes of meetings, and shall provide notices of meetings and other clerical services as needed by the Board.

C. The officers of the Enterprise with the exception of the Chief Operating Officer shall be elected annually by the Management Board at its annual meeting, or as soon after such annual meeting as newly appointed Board members shall have been qualified. Each officer shall hold office until a successor is chosen and qualified, or until death, resignation, or removal in the manner provided in this Plan of Operation.

D. Any elected Board officer may be removed from office by Management Board action whenever, in its judgment, the best interest of the Enterprise will be served thereby. The Chief Operating Officer may be removed only pursuant to any approved contract provisions.

E. Any Board officer may resign by submitting a written notice of resignation, and such resignation shall be accepted by the Board at the next Board meeting.

F. Any vacancy in any office caused by death, resignation, removal, or other cause shall be filled for the unexpired portion of the term in the manner prescribed herein for election or appointment to such office. If a vacancy occurs in the office of the Chief Operating Officer, the Management Board may immediately appoint an interim Chief Operating Officer, but shall proceed promptly to employ a new Chief Operating Officer pursuant to Article IX(A).

G. The Management Board may appoint such other agents as it deems necessary and determine duties, compensation, and terms of their positions by Board resolution.

Article IX. Chief Operating Officer

A. The Chief Operating Officer shall be employed under a written employment contract with the Management Board subject to such other approval as may be required by the laws of the Navajo Nation or other applicable law, and shall report and be directly responsible to the Management Board.

B. The Chief Operating Officer shall, among other things, execute the general policies formulated by the Management Board and organize the operation of the Enterprise into operating units, facilities, operations, divisions and/or subsidiaries, with specific duties and responsibilities, subject at all times to applicable laws and regulations, and to this Plan of Operation. The Chief Operating Officer may also perform the responsibilities of the General Manager of one or more of the operating units, facilities, operations, subsidiaries or divisions of the Enterprise.

C. With the concurrence of the Management Board, the Chief Operating Officer shall hire a manager for each Enterprise operating unit, facility, operation, division or subsidiary. The Chief Operating Officer shall also be responsible for overseeing the activities of each such manager and assuring that the rights, responsibilities, and activities of each such manager conform to this Plan of Operation, the policies and procedures adopted by the Management Board, and applicable Navajo law.

D. The Chief Operating Officer shall exercise his/her best judgment in the determination of the ways and means by which general policy set forth by the Management Board is to be effectuated, prepare plans and annual budgets, make recommendations to the Board as to policies and proposals for improvements, render regular reports to the Board and perform all other functions and duties as may be designated by the Management Board as specified herein.

E. The Chief Operating Officer shall comply with all laws and policies of the Navajo Nation and shall fully observe and apply Navajo preference in hiring, training, advancement and retention of employees of the Enterprise.

F. The Chief Operating Officer shall provide periodic reports regarding the status and operations of the Enterprise to the Economic Development Committee of the Navajo Nation Council, upon the written request of such Committee.

Article X. Accounting System

A. A modern accounting system shall be established and used in the Enterprise in conformity with corporate accounting principles generally accepted in the hospitality field. The Chief Operating Officer shall provide annual financial and operating statements to the President of the Navajo Nation, the Economic Development Committee of the Navajo Nation Council, and the Management Board.

B. The accounting system shall insure the availability of information as may be necessary to comply with federal and Navajo regulatory requirements. Use of automatic data processing shall be encouraged whenever possible. The fiscal year of the enterprise shall be January 1 to December 31.

C. The Enterprise shall establish an Investment Fund which shall be used exclusively to set aside funds for Enterprise property acquisitions and investments. The Management Board shall formulate an investment policy for the purpose of setting aside earnings from operations to be placed in the Investment Fund.

Article XI. Books, Records, and Property

The books and records of the Enterprise shall be made available at the principal place of business of the Enterprise which shall be within the exterior boundaries of the Navajo Nation and shall be available for inspection at all reasonable times by the President of the Navajo Nation, the Economic Development Committee of the Navajo Nation Council, and the Management Board.

Article XII. Audits

The Management Board, or, if established, the Audit Committee thereof, shall solicit proposals and select qualified auditors for the Enterprise. Such auditors shall audit the accounts and records of the Enterprise at the close of each fiscal year. Copies of all audit reports and management letters shall be furnished to the same parties receiving copies of the annual financial and operating statements pursuant to Article X(A) within 30 days after the completion of the audit or 120 days after the end of the fiscal year of the Enterprise, whichever is sooner.

Article XIII. Return on Investment

At the sole discretion of the Management Board, the Enterprise may declare dividends payable to the Navajo Nation in such amounts as the Management Board deems prudent and appropriate.

Article XIV. Insurance

The Enterprise at its own expense shall maintain appropriate public liability and property insurance for its facilities and premises sufficient to protect the interests of the Enterprise and the Navajo Nation. Alternatively, the Enterprise shall obtain written proof of full insurance coverage for public liability and property insurance within the umbrella policy maintained for that purpose by the Navajo Nation. Such policies shall name the Navajo Nation as owner and beneficiary thereunder.

Article XV. Navajo Preference in Employment and Training.

All initial opportunities for employment, training and advancement as they arise shall first be extended to qualified members of the Navajo Nation. The Management Board shall implement a Navajo preference policy in the hiring, training, advancement and retention of all employees of the Enterprise.

Article XVI. Immunity From Suit

A. The Enterprise and its Management Board and officers and employees while acting in their official capacities are immune from suit, and the assets and other property of the authority are exempt from any levy or execution, except as provided:

1. In the Navajo Sovereign Immunity Act (1 NNC § 551 *et seq.*); or
2. When the Enterprise's Management Board has, in any particular matter by duly adopted resolution, waived the Enterprise's immunity from suit so as to permit suit against the Enterprise in the courts of the Navajo Nation, the courts of the United States or of any state as may be appropriate and agreed to by the Management Board of the Enterprise. A decision by the Management Board to agree to state or federal court jurisdiction with respect to any matters arising from the development, construction, ownership, or management of properties of the Enterprise that lie within Navajo Indian country shall be valid only if such decision has been approved by resolution of the Economic Development Committee of the Navajo Nation Council, after any consultation with the Attorney General of the Navajo Nation as such Committee deems advisable.

B. The acts or omissions of the Enterprise (whether pursuant to the powers enumerated in this Plan of Operation or otherwise) shall not create any liability, obligation or indebtedness either of the Navajo Nation or payable out of assets, revenues or income of the Navajo Nation, and only the assets, revenues and income held by or in the name of the Enterprise shall be subject (to the extent otherwise permitted herein or by law) to the debts, obligations or other liabilities created or incurred by the Enterprise.

C. Any waiver of immunity by the Enterprise shall not be construed to waive any immunity of the Navajo Nation or other person or entity, nor shall the provisions of the Navajo Sovereign Immunity Act (1 NNC § 551 *et seq.*) be deemed altered or amended.

D. This section of the Plan of Operation of the Enterprise shall not be amended so as to diminish any existing rights of owners, sureties or other persons with whom the Enterprise has a contractual relationship at the time of such amendment, and, to that extent, the authority of the Economic Development Committee of the Navajo Nation Council to adopt and amend the Plan of Operation of the Enterprise is limited.

E. In the event the Enterprise is sold, dissolved or merged to or into any other entity, the provisions of this subsection and the rights created hereunder shall survive such sale, dissolution or merger.

Article XVII. Amendments

Subject to the limitations of Article XVI(D), this Plan of Operation may be amended from time to time as necessary and appropriate by the Economic Development Committee of the Navajo Nation Council upon the recommendation of the Management Board; provided, however, that any amendments to Article XVI hereof respecting the sovereign immunity of the Enterprise and its Management Board and officers and employees shall be void and of no effect unless approved by resolution of the Navajo Nation Council upon the recommendation of such Committee.

EXHIBIT
2

June 1, 2015

President Begaye
Office of the President and Vice President
P.O. Box 7440
Window Rock, AZ 86515

RE: Letter of Interest

It has been an honor to serve as an appointed member to the Navajo Nation Hospitality Board of Directors since 1996. It is my desire to continue on the Board of Directors in the future. Your consideration for reappointment would be highly appreciated.

I am grateful to be a part of the team that has dramatically improved employment opportunities for the Navajo Nation. The well balanced expertise, including my passion for finance and hospitality has allowed NNHE to mature and grow financially every year.

I wish to express my continued interest in the generation of revenue for the Navajo Nation, providing for Navajo employment, training opportunities, and providing professional hotel and restaurant services with quality facilities on behalf of the Navajo Nation. Further, I feel promoting and educating the public through the tourism experience and exposure of Navajo Culture and traditions is important.

I feel I have made a substantial contribution to the organization in the participation of acquiring hotel property in the city of Page and Tuba City, Arizona, both of which are significant assets to the Navajo Nation and employ the Navajo people. My participation has also helped insure that the enterprise continues to be profitable.

The Hospitality Enterprise will also break ground on the first of three office buildings and a hotel on our land in Window Rock this year.

I appreciate your consideration for reappointment to the Navajo Nation Hospitality Enterprise Board of Directors.

Thank you for your consideration,

Lorenzo Max

Lorenzo Max

P.O. Box Tuba City, AZ 86045
Mobile – 928 Email - Lmax5037@yahoo.com

RESUME

Objective:

It has been my pleasure serving on the Navajo Nation Hospitality Enterprise (NNHE) Board of Directors since 1996 as an experience and successful Navajo Businessman. It is my desire to continue serving in my capacity as a member of the NNHE Board of Directors. I believe my expertise and leadership has and is currently a valueble asset to the success of NNHE in revenue and job creation. Your confidence and reappointment would be an honor.

Business and Professional Experience:

1. Currently, I am an Adjunct Professor as a Resident Traditional Scholar at Northern Arizona University
2. Owned and operated Max-Aire Satellite Store
3. Owned and operated Max-Aire Radio Shack Dealer Franchise Store
4. Owned and operated Focal Point Eyewear Inc.
5. Owned and operated Max Enterprise Inc.
6. Owned and operated L & H Hospitality Inc. dba Szechuan Restaurant
7. 25% owner of First Choice Finance Limited
8. Former 50% Owner to Ocean-Aire Hydro Filter Inc.
9. Executive Director; Four Corners Enterprise Community (4CEC)
10. Founder of Bik' eh Hozho Community Development Corporation BHCDC); Loan Fund for aspiring local entrepreneurs.
11. Current Chairman for Navajo Nation Hospitality Enterprise
12. Former BOD; Arizona Community Development Council
13. Former BOD; Navajo Community Development Financial Institution
14. Former BOD; Navajo Nation Private Investment Council
15. Former BOD; National Work Force Investment Council
16. Former BOD; Native American Opportunity Network
17. Did numerous Local, National and International presentation on Economic/Community Development and on topic of Native Traditional significant

High Lights of Significant Business Accomplishments

- During 2000, Max-Aire Radio Shack Store located in Tuba City, AZ received the "Model Store of the Year" within the Four Corners Region (Arizona, New Mexico, Utah and Colorado). Selection was based on Sales, Management Style (best business practices) and Customer Service.
- In 2002 Max-Aire Radio Shack Store was featured in the Summer issue of the "Entreprenuer Magazine". At the time, Radio Shack Corporation as a member of the "Top Ten" of the Fortune 500 Companies had to selected one store out of its 6500 stores base on Sales, Management Style in overcoming adversities and barriers (best business practices) and Customer Service to featured in this publication.

Lorenzo Max

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- In 2007 we were awarded the Radio Shack "Platinum Plus Award" for high volume of sales and over a million dollar purchases from Radio Shack Corporation, These awards are very highly sought after in the Radio Shack arena.
- 4CEC and BHCDC instrumental in leveraging over 300 million dollars for 84 economic development benchmark projects within Western and Northern regions of the Navajo Nation from 2001 to 2008.

As an Adjunct Professor at Northern Arizona University. I am responsible for lectures from a indiginus prespective on all subject matters to Students, Faculties, various Local and National Organizations and visiting Universities and International Scholars. I also, worked with Professors, Graduates and Doctorate Students with dissertations in Economic Development, Tourism and enviroment (uranion and arsonic) on the Navajo reservation.

History and Involvement with Navajo Nation Hospitality Enterprise (NNHE)

NNHE was established in October 1982 with a mission of establishing an independent, profitable, self-sustaining, and successful Navajo business enterprise; which generates revenue for the Navajo Nation. During my term on the Board of Directors NNHE and as the Chairman, I kept the Board focus on nurturing and fostering the NNHEs mission. NNHE with it's management team and BODs has been successful in fulfilling its mission, resultng in business growth and expansions. During my term as Chairman, NNHE has accopmlished the following;

- NNHE's assets has grown from $1.5 million to over $15 million.
- Job creation has tripled
- Navajo Woman General Managers put in place at all NNHE properties
- Choice Hotels Best of the Brand awarded in 2006 (Top 3 in Properties catagories)
- Choice Hotels Platnuim Awards in 2014 and 2015 (Top 3% overall Properties)
- Choice Hotels Gold Awards in 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013 (Top 5% overall Properties)
- Aquired the Babbitts Brother Trading Companys Tuba City operation, now the Hogan Restaurant, Quality Inn Hotel, Trading Post, RV park, Seattles Best Coffee Shop and the Explore Navajo Interactive Musuem.
- Aquired Page Quality Inn property
- Established the Code Talkers and Explore Navajo Interactive Musuem

This past success has been instrumental in providing Navajo employment, training opportunities, property expansion into communities like Tuba City and Page AZ. Focusing on management has been key in creating a professional motel, restaurant, convenience retail and commercial office space operation. Improved goods, services and well maintained quality facilities to the public, is a good reflection to the Navajo Nation.

Lorenzo Max

P.O. Box Tuba City, AZ 86045
Mobile – 928· Email - Lmax5037@yahoo.com

It is with pride that I relate these acheivements. Board membership continuety is the key in maintaining the current positive forward momentum.

Education:

Bachelor Degree in Civil Engineering

References:

Louise Scott- Retired Education Aministrator
3148 Kyle Loop, Flagstaff, AZ 86004
Mobile – 928·

Lawrence R. Platero – Former Council Delegate
P.O. Box 2273 Albuquerque, NM 87103
Mobile – 505· Wk – 505-

Allen Naille – Retired Hospitality Resort CEO and Board Member
7950 Koch Field Rd. Flagstaff, AZ 86004
Mobile – 928- Wk – 928·

RESOURCES AND DEVELOPMENT COMMITTEE
24th Navajo Nation Council

SECOND YEAR 2020

ROLL CALL
VOTE TALLY SHEET:

Legislation # 0249-20: An Action Relating to Resources and Development; Re-Appointing Lorenzo Maxx to Serve on the Management Board of the Navajo Nation Hospitality Enterprise. *Sponsor: Honorable Otto Tso*

Date: October 14, 2020 - Regular Meeting (Teleconference)
Meeting Location: (RDC members called in via teleconference from their location within the boundary of the Navajo Nation.)

Main Motion:
Motion: Herman M. Daniels S: Kee Allen Begay, Jr. Vote: 5-0-1 (CNV)
In Favor: Herman M. Daniels, Wilson C. Stewart, Jr., Kee Allen Begay, Jr., Mark A. Freeland and Thomas Walker, Jr.
Oppose: NONE
Excuse: NONE
Not Voting: Presiding Chairperson Rickie Nez

Honorable Rickie Nez, Presiding Chairperson
Resources and Development Committee

Shammie Begay, Legislative Advisor
Office of Legislative Services