

RESOLUTION OF THE
NAVAJO NATION COUNCIL

20th NAVAJO NATION COUNCIL - Fourth Year, 2006

AN ACTION

RELATING TO SOVEREIGN IMMUNITY; ECONOMIC DEVELOPMENT;
APPROVING EDUCATION; APPROVING A LIMITED WAIVER OF
SOVEREIGN IMMUNITY FOR THE NAVAJO AGRICULTURAL PRODUCTS
INDUSTRY (NAPI), TO ALLOW LENDERS TO REPOSSESS EQUIPMENT AND
TO OBTAIN DAMAGES FROM NAPI TO THE EXTENT OF THE AMOUNT
FINANCED IN THE EVENT OF DEFAULT UNDER AGREEMENTS FOR THE
FINANCING OF EQUIPMENT AND VEHICLES; AMENDING THE NAPI PLAN
OF OPERATON AT ARTICLE 7, NEW SUBSECTION Z

BE IT ENACTED:

The Navajo Nation Council hereby approves a limited waiver of sovereign immunity within the Navajo Agricultural Products Industry (NAPI) Plan of Operation to allow lenders to repossess equipment and to obtain damages from NAPI to the extent of the amount financed in the event of default under agreements for the financing of equipment and vehicles, as set forth below:

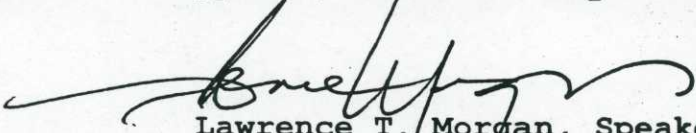
Article 7. Board of Directors Powers and Duties

Z. Limited Waiver of NAPI's Sovereign Immunity for Certain Agreements, Notwithstanding anything herein or in Navajo law to the contrary, to enter into contracts for the purchase of equipment and/or vehicles without the inclusion of the provision that would be otherwise required by Article 7 (R), above, which contracts may provide for a limited waiver of NAPI's sovereign immunity to the extent necessary to permit the repossession of such equipment and/or vehicles and permit lenders to recover damages from NAPI to the extent of the amount financed through judicial action in the courts of the Navajo Nation or through compulsory

arbitration, provided that such contracts shall not be construed to waive the sovereign immunity of the Navajo Nation, including NAPI is expressly barred from suing the Navajo Nation, and that any waiver of immunity from suit shall be limited strictly to non-trust asset and property of NAPI and shall not extend to the assets and property of the Navajo Nation itself, and provided further that no such contract shall pledge as security or otherwise, or make any guaranty respecting, any assets or funds of the Navajo Nation itself.

CERTIFICATION

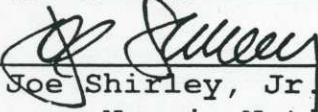
I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 64 in favor and 1 opposed, this 20th day of April 2006.


Lawrence T. Morgan, Speaker
Navajo Nation Council
21 April 06
Date

Motion: Tom LaPahe
Second: Larry Anderson, Sr.

ACTION BY THE NAVAJO NATION PRESIDENT:

1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (10), on this _____ day of APR 26 2006 2006.



Joe Shirley, Jr., President
Navajo Nation