



THE NAVAJO NATION

OFFICE OF THE PRESIDENT & VICE PRESIDENT

FOR IMMEDIATE RELEASE

SEPT. 28, 2007

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Navajo Nation Council tables \$100 million line of credit, OK's members of Gaming Enterprise Board of Directors

WINDOW ROCK, Ariz. – The Navajo Nation Council today voted 38-to-33 to table legislation that would approve a \$100 million line of credit for casino development while overwhelmingly approving five members of the new Navajo Nation Gaming Enterprise Board of Directors.

The Council asked to hold a work session to have its questions about the line of credit answered before voting to approve such a large financial obligation.

"I don't think it's unreasonable that we have a work session," said Navajo Gaming CEO Robert Winter, who was present for the vote. "We're perfectly prepared to do that. I was encouraged by the number of votes that voted down the motions which would have delayed this for an interminable amount of time."

Mr. Winter told the Council that the Navajo line of credit from JP Morgan Chase is the best gaming financing deal he's seen in his career.

"I have been involved in over a billion dollars in financing, and I've never seen a better line of credit arrangement than this one," he said. "The amount of money to be made from the first year of casino development is substantially above what would be needed to pay back the loan obligation."

Mr. Winter told the council that the decisions it was to make were extremely important to allow the Nation to engage in gaming.

"This line of credit that you're considering will provide the Nation with independence," he said. "It will enable the (gaming) entity to engage in gaming in a way which will maximize the profits to the Nation and the chapters who are involved with it."

He explained that tribal gaming has progressed beyond developer financing, and that the line of credit provided a better deal to the Nation than bond financing, which carries a high interest rate.

The line of credit "is the element that we need to jump start gaming on the Navajo Nation," he said.

The line of credit is interest-only for two years so whatever is used during that two-year period is what the Nation pays interest on, rather than the full amount, he said.

"We do not have to pay any principal," he said. "And it is expected that, of course, we'll be up and operating at that time and the gaming facility would be generating income by the time any principal became due."

The Council voted to approve the new Gaming Board members, and they went to work with an afternoon orientation.

Those approved are:

Martin Lieberman to a four-year term. Mr. Lieberman is a lawyer and consultant with more than 25 years experience in gaming who resides in Scottsdale, Ariz.

Tanya Rae Curley to a four-year term. Ms. Curley, of Fort Defiance, has 14 years experience working in casinos, five of which were in a supervisory capacity. She is currently a marketing specialist for Trans Navajo Foods of Tohatchi, N.M.

Sean M. McCabe to a four-year term. Mr. McCabe, of Albuquerque, is a certified public accountant and president of 180 Innovations, Inc., a Native American business consulting firm. As general manager of Casino Hollywood at San Felipe, N.M., his management team helped generate \$25.5 million in net operating revenues per year.

Maureen Curley to a three-year term. Ms. Curley has 30 years experience in administrative and financial management and resides in Phoenix. She is currently a technical support manager for the Salt River Pima-Maricopa Indian Community in the public works department.

Jack C. Jackson, Jr. to a two-year term. Mr. Jackson, of Phoenix, is the former director of the Arizona Commission on Indian Affairs and former member of the Arizona House of Representatives from District 2. He is currently director of community relations for AeroCare Medical Transport.