

NATIONAL
INDIAN
GAMING
COMMISSION

FEB - 7 1994

John W. Steele, President
Oglala Sioux Tribe
P.O. Box H
Pine Ridge, South Dakota 57770

Dear President Steele:

This letter responds to your request to review and approve the tribal gaming ordinance submitted on January 31, 1994, for the Oglala Sioux Tribe (the Tribe). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. The gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA. Also, such approval does not constitute approval of specific games.

It is important to note that while we have approved the Tribe's gaming ordinance, the Tribe must still submit the description of procedures for conducting background investigations on key employees and primary management officials as discussed with the NIGC staff. Also, the Tribe must submit the description of procedures for resolving disputes between the gaming public and the tribe or management contractor.

With the Chairman's approval of the Tribe's gaming ordinance, the Tribe is now required to conduct background investigations on its key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official pursuant to 25 C.F.R. § 556.5(a) and an investigative report on each background investigation before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. § 556.5(b).

Thank you for submitting the ordinance of the Oglala Sioux Tribe for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,

Anthony J. Hope

Anthony J. Hope
Chairman

cc: Philip N. Hogen, Esq.

ORDINANCE OF THE OGLALA SIOUX TRIBAL COUNCIL
OF THE OGLALA SIOUX TRIBE
(AN UNINCORPORATED TRIBE)

AN ORDINANCE AMENDING CHAPTER 29, GAMING CODE OF THE OGLALA SIOUX TRIBE.

WHEREAS, Article IV (k) of the Constitution and By-laws of the Oglala Sioux Tribe authorizes the Oglala Sioux Tribal Council "To promulgate and enforce ordinances governing the conduct of persons on the Pine Ridge Reservation, and providing for the Maintenance of law and order and the administration of justice . . .", and

WHEREAS, Article IV (t) of the Constitution and By-laws of the Oglala Sioux Tribe authorizes the Oglala Sioux Tribal Council "To delegate to subordinate boards or officers or to cooperative associations which are open to all members of the tribe . . . powers...", and

WHEREAS, the Congress of the United States has enacted the Indian Gaming Regulatory Act (IGRA), Public Law 100-497, 102 Stat. 2426, 25 U.S.C. §2701, et seq. (1988), which permits Indian Tribes to operate Class III Gaming Activities on Indian Reservations, pursuant to a Tribal-State Compact entered into for that purpose, and

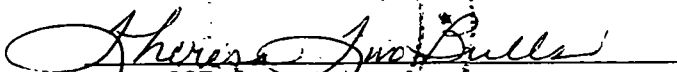
WHEREAS, the Oglala Sioux Tribe, pursuant to its Ordinance No. 93-17, amended Chapter 29 of its Law and Order Code, thereby enacting a Gaming Ordinance to provide for Class III gaming operations, and

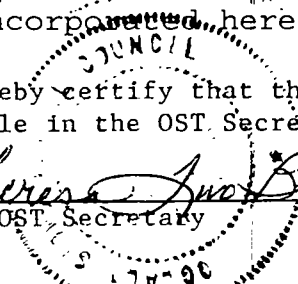
WHEREAS, the aforesaid IGRA provides for the review and approval of such Gaming Ordinance by the National Indian Gaming Commission (NIGC) for same to become effective, and

WHEREAS, the said Ordinance No. 93-17 has been so reviewed and the NIGC has suggested and required technical amendments thereto, relating to the statement of the purpose of the Ordinance, the definition of certain gaming terms and the licensing and the procedures for conducting background investigations of those seeking licenses from the Oglala Sioux Tribal Gaming Commission, and that such amendments seem appropriate to clarify the Tribe's Gaming Ordinance and procedures, and it is appropriate to increase the membership of the Oglala Sioux Tribal Gaming Commission to nine (9) members, now

THEREFORE BE IT ORDAINED, that Chapter 29 of the Oglala Sioux Law and Order Code is amended to modify the Oglala Sioux Tribe Gaming Ordinance in accordance with the amendments attached hereto and incorporated herein by this reference.

I hereby certify that this is a true and correct copy of the original Ordinance on file in the OST Secretary's Office.


OST Secretary




APPROVED

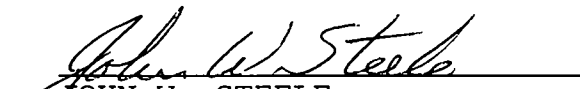
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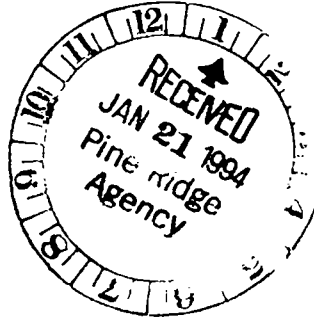
C-E-R-T-I-F-I-C-A-T-I-O-N

I, as undersigned, Secretary of the Oglala Sioux Tribal Council, hereby certify that this Ordinance was adopted by vote of: 10 for; 1 against; 0 abstain; and 0 not voting, during a REGULAR SESSION held on the 14th day of JANUARY, 1994.


THERESA B. TWO BULLS
Secretary
Oglala Sioux Tribe

A-T-T-E-S-T


JOHN W. STEELE
President
Oglala Sioux Tribe



ORDINANCE NO. 93-17
TO REGULATE GAMING ON INDIAN LANDS
AS AMENDED BY ORDINANCE 94-1

BE IT ENACTED BY THE TRIBAL COUNCIL OF THE OGLALA
SIOUX TRIBE THAT THIS ORDINANCE MAY BE CITED AS THE:
OGLALA SIOUX TRIBE GAMING ORDINANCE

Section 1. Repeal of Prior Laws.

a. Repeal of Prior Laws. Chapter 29, Gaming Code, established pursuant to Oglala Sioux Tribal Ordinances 85-29 and 87-22, and all titles, chapters and sections of the Revised Code of the Oglala Sioux Tribe, which are in effect as of the date this Ordinance becomes operative, are hereby repealed, and all other laws or parts thereof, inconsistent with the provisions of this Ordinance are hereby repealed.

b. Effect of Repeal. Repeal by this Ordinance shall not have the effect of reviving any prior Ordinance or Resolution theretofore repealed or suspended.

Section 2. Title.

This Ordinance shall be known as the Oglala Sioux Gaming Ordinance. It is promulgated pursuant to the Oglala Sioux Tribal Constitution.

Section 3. Purpose.

The purpose of this Ordinance is to regulate the conduct of gaming activities on the Pine Ridge Indian Reservation in accordance with the Indian Gaming Regulatory Act, 25 U.S.C. §2701 et seq and the Gaming Compact between the Oglala Sioux Tribe and the State of South Dakota.

a. All gaming activities shall be conducted exclusively on tribal lands, unless otherwise authorized in writing by the Tribal Council.

b. All gaming activities shall be conducted under the exclusive control and responsibility of the Oglala Sioux Tribe.

c. All proceeds of the gaming activities authorized by this Ordinance and received by the Tribe shall be used to promote the health, education, and welfare of the Oglala Sioux Tribe.

d. The Oglala Sioux Tribe shall receive at least seventy percent (70%) of the net revenues of all gaming activities conducted pursuant to this Ordinance.

Section 4. Games Permitted.

Poker, blackjack, and slot machines are expressly authorized by this Ordinance and such other gaming as may be approved by legislative act of the State of South Dakota. All gaming authorized by this Ordinance may be operated and maintained, within the boundaries of the Pine Ridge Indian Reservation, South Dakota, subject to the provisions of this Ordinance.

Section 5. Regulation of Gaming.

Such gaming activity shall be regulated by the Oglala Gaming Commission.

Section 6. Definitions.

1. "Bet", an amount placed as a wager in a game of chance;
2. "Blackjack", a card game played by a maximum of seven players in which each player bets against the dealer. The object is to draw cards whose value will equal or approach twenty-one without exceeding that amount and win amounts bet, payable by the dealer, if the player holds cards more valuable than the dealer's cards;
3. "Boundaries", the boundaries of the Pine Ridge Indian Reservation, South Dakota;
4. "Commission", the Tribal Gaming Commission;
5. "Gaming", any game or contest of chance whereby one risks money or tokens no matter how conceived or operated and includes, but is not limited to, every game described in this Ordinance;
6. "Gaming Employee", any person employed by a business hosting gaming to work directly with the gaming portion of that business;
7. "Gaming Equipment", any gaming equipment that is allowed by this Ordinance and which requires licensing;

8. "Gaming License", any license issued by the Commission pursuant to this Ordinance which authorizes any person to engage in gaming on the Pine Ridge Indian Reservation;
9. "Licensed Gaming Establishment", any premises licensed pursuant to this Ordinance where gaming is conducted;
10. "Licensee", any person licensed under this Ordinance;
11. "Licensing Authority", the Tribal Gaming Commission;
12. "Card Games and Slot Machines", any card games including poker and blackjack and slot machines authorized by the Commission;
13. "Poker", a card game played by a maximum of ten players who are dealt cards by a non-player dealer. The object of the game is for each player to bet the superiority of their own hand and win the other players' bets by either making a bet no other player is willing to match or proving to hold the most valuable cards after the betting is over. Poker includes draw, stud, or low ball or any combination thereof;
14. "Slot Machine", any mechanical, electrical, or other device, contrivance, or machine which, upon insertion of a coin, token or similar object, or upon payment of any consideration whatsoever, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the person playing or operating the machine to receive cash premiums, merchandise, tokens or anything of value whether the payoff is made automatically from the machine or in any other manner;
15. "Council", the Tribal Council of the Oglala Sioux Tribe duly elected pursuant to the Constitution of the Oglala Sioux Tribe.
16. "Class II Gaming", gaming as defined in the Indian Gaming Regulatory Act, 25 U.S.C. §2703(7)(A) and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. §502.3.

17. "Class III Gaming", gaming as defined in the Indian Gaming Regulatory Act, 25 U.S.C. §2703(8) and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. §502.3.
18. "Key Employee", (a) person who performs one or more of the following functions:
 - (1) Bingo caller;
 - (2) Counting room supervisor;
 - (3) Chief of security;
 - (4) Custodian of gaming supplies or cash;
 - (5) Floor manager;
 - (6) Pit boss;
 - (7) Dealer;
 - (8) Croupier;
 - (9) Approver of credit; or
 - (10) Custodian of gambling devices including persons with access to cash and accounting records within such devices;

(b) If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or

(c) If not otherwise included, the four most highly compensated persons in the gaming operation.
19. "Primary Management Official", (a) The person having management responsibility for a management contract;
 - (b) Any person who has authority:
 - (1) To hire and fire employees; or
 - (2) To set up working policy for the gaming operation; or
 - (c) The chief financial officer or other person who has financial management responsibility.

Section 7. Gaming Commission.

There is hereby created the Oglala Sioux Tribal Gaming Commission. The Commission shall consist of nine members, all of whom shall be appointed by the Tribal Council of the Oglala Sioux Tribe. The Commission members may be members of the Oglala Sioux Tribe. The initial members to be appointed shall draw lots to see who holds five two-year terms and four one-year terms. Thereafter, each member shall serve no more than two consecutive full terms. Upon the expiration of their term of office, a member shall serve until his/her successor is appointed by the Oglala Sioux Tribal Gaming Commission. The Commission shall select among its members a chairperson who shall preside over the meeting

of the Commission. The Commission members may be removed, upon substantive proof of wrong-doing, by majority vote of the Oglala Sioux Tribal Council. Substantive proof shall be defined as documentation or evidence which would be admissible in a court of law.

Any member whose removal is sought shall be entitled to be notified in writing at least three (3) days before any vote shall be taken regarding that member's removal. Any person so notified may request an informal hearing before the Tribal Council prior to a vote on his or her removal from the Commission.

Section 8. Gaming Commission Rule-Making Authority.

The Commission may promulgate rules for the orderly transaction and conduct of its business and the substantive rules that it may determine proper concerning the issuance, revocation, and suspension of gaming licenses, the conduct and operation of the gaming activities and any other things necessary to carry out the purposes of this Ordinance. The Commission may also promulgate rules necessary to administer complaints which may be received from the public and conduct such other investigations and inspections into the conduct of the games and the licensees and maintenance of the equipment as the Commission may deem necessary and proper.

Section 9. Gaming Commission Meetings.

The Commission may hold regular and special meetings at such times and places as it may deem convenient, but at least one regular meeting shall be held quarterly. A majority of the appointed members constitutes a quorum of the Commission, and a special meeting may be called by any two members. Each member of the Commission shall receive a stipend of Sixty Dollars (\$60), plus mileage and expenses at the regular monthly meeting. The stipend, mileage and expenses shall be paid from fees and assessments collected by the Commission.

Section 10. Purposes for Executive or Closed Meetings.

The Commission may hold executive or closed meetings for any of the following purposes:

1. Considering applications for licensing when discussing the background investigations or personal information;

2. Meeting with gaming officials of other jurisdictions, the United States Attorney, the South Dakota Attorney General and State's Attorney of Shannon or Jackson County or law enforcement officials relating to possible criminal violations;
3. Consulting with the Executive Secretary, employees and agents of the Commission concerning possible criminal violations;
4. Deliberations after hearing evidence on an informal consultation of a contested case necessary to reach a decision; and
5. Discussing business strategies, marketing or pricing strategies of a licensee or an applicant for a license if public discussion may be harmful to the competitive position of the licensee or applicant for license or discussions with a licensee or an applicant for the purposes of overseeing and defining gaming contracts.

Section 11. Executive Secretary of Gaming Commission.

The Commission shall appoint, and may remove, an Executive Secretary who shall be responsible for the conduct of the Commission's administrative matters. The Commission shall set the annual salary of the Executive Secretary.

Section 12. Gaming Commission Powers.

In its regulation of gaming activities on the Pine Ridge Indian Reservation, the Commission shall have the power and authority to:

1. Issue licenses, oversee and define the contract of the licensees;
2. Inspect and examine all premises where gaming is conducted or gaming devices or equipment are sold or distributed;
3. Inspect, examine, and photocopy all papers, books, and records of applicants and licensees and require verification of income, and all visions of this Ordinance;
4. Contract for such legal counsel to advise it as it may choose;
5. Suspend or revoke for cause any gaming license;

6. Require all primary management personnel and key employees of all management personnel to undergo investigations.

Section 13. Appeal of Gaming Commission Actions.

Any action of the Commission is subject to appeal to Tribal Court for the Oglala Sioux Tribe. Notice of appeal shall be filed in writing with the Commission and Clerk of Court, within ten (10) days from written notice of any action of the Commission. Failure to timely file an appeal shall make the action final.

Section 14. Disclosure Required.

A disclosure of total ownership document shall be required to accompany all applications for licenses as an operator.

Section 15. Posting of Rules.

Specific rules for blackjack and poker shall be approved by the Commission and clearly posted within the casino.

Section 16. Approval of Licenses.

The Commission may approve or disapprove any application for license, depending upon whether it deems the applicant a suitable person to hold the license and whether it considers the proposed location suitable. Among other things, failure of the applicant to provide information necessary to allow consideration into his background, is grounds for denial of the license.

Section 17. Suspension or Revocation of License - Grounds - Reprimand or Monetary Penalty Possible.

Any license granted pursuant to this chapter may be suspended or revoked for any cause which may have prevented its issuance, or for violation by the licensee, or any officer, director, agent, member or employee of the licensee, of this chapter or any rule adopted by the Commission or for conviction of a crime of moral turpitude or a felony, after notice to the licensee and a hearing, upon grounds determined adequate by the Commission. In addition to revocation or suspension or in lieu of revocation or suspension, the Commission may impose a reprimand or a monetary penalty not to exceed the following amounts:

1. if the licensee is an operator, the amount of Twenty-Five Thousand Dollars (\$25,000.00);

2. if a licensee is a key employee, the amount of Five Thousand Dollars (\$5,000.00); and
3. if the licensee has an employee license, the sum of Two Thousand Five Hundred Dollars (\$2,500.00).

Any monetary penalty received by the Commission under this section shall go into the Gaming Commission fund.

Section 18. Conflict of Interest.

No officer, agent, or employee of the Commission may hold a license under this Ordinance if the duties of such office, agency, or employment have to do with the enforcement of the gaming laws and rules. This prohibition applies to the Commission, all of its employees and all law enforcement officials and officers. No licensee may employ any person in any capacity while that person is in the employment of a law enforcement agency or the Commission.

Section 19. Application Fee.

The Commission may establish an application fee which shall include the cost of investigation. The fee may vary with the type of license for which application is made and is non-refundable. The application form will be promulgated by the Commission and shall include a waiver of any right of confidentiality and shall allow access to law enforcement records of any state. The waiver of confidentiality shall extend to any financial or personnel record wherever maintained.

Section 20. The Commission May Issue Six Types of Licenses As Follows:

1. Slot Machine Operator. The initial fee for such a license is One Thousand Dollars (\$1,000.00) and thereafter an annual fee of One Hundred Dollars (\$100.00) renewable each July 1st. This fee shall be levied per license regardless of the number of machines operated. The holder of such a license shall be entitled to operate slot machines on the Oglala Reservation on the licensed premises subject to the ordinances and regulation of the Tribe and the Commission.
2. Card Game Operator. The initial fee for such a license is One Thousand Dollars (\$1,000.00) and thereafter an annual fee of One Hundred Dollars (\$100.00) renewable each July 1st. This fee shall be levied per license regardless of the number of

tables operated. The holder of such a license shall be entitled to operate card games on the Oglala Reservation on the licensed premises subject to the ordinances and regulations of the Tribe and the Commission.

3. Video Lottery Operator. The initial fee for such a license is One Thousand Dollars (\$1,000.00) and thereafter an annual fee of One Hundred Dollars (\$100.00) renewable each July 1st. This fee shall be levied per license regardless of the number of machines operated. The holder of such a license shall be entitled to operate video lottery machines on the Oglala Reservation on the licensed premises subject to the ordinances and regulations of the Tribe and the Commission.
4. Employee License. All persons employed to work directly with the gaming portion of a gaming operation must hold an employee license. The licensee fee is Twenty-Five Dollars (\$25.00) and thereafter an annual fee of Twenty-Five Dollars (\$25.00) renewable July 1st. This fee is in addition to the costs of any background investigation.
5. Key Employee License. Any executive, employee or agent of a gaming licensee having the power to exercise significant influence over decisions concerning any part of the operation of a gaming facility must obtain such a license. The license fee is One Hundred Dollars (\$100.00) and thereafter an annual fee of One Hundred Dollars (\$100.00) renewable July 1st.
6. Manufacturer, Distributor, or Suppliers License. Any person or entity that supplies any gaming machines of any type, gaming supplies of any kind, or other materials to any gaming operation on the Pine Ridge Indian Reservation must hold a license. The license fee is One Thousand Dollars (\$1,000.00) and thereafter an annual fee of One Hundred Dollars (\$100.00) renewable July 1st. This is in addition to the costs of any background investigation.
7. Gaming Facility License. A separate gaming facility license shall be required for, and must be held the place, facility, or location where such gaming is conducted under this ordinance. The license fee is One Thousand Dollars (\$1,000.00) and thereafter an annual fee of One Hundred Dollars (\$100.00) renewable July 1st.

No person shall be issued a license pursuant to this Ordinance unless that person meets qualifications at least as stringent as those required to obtain a gaming license from the State of South Dakota.

All owners of gaming operations shall pay an appropriate assessment to the National Indian Gaming Commission as determined by that Commission pursuant to Section 2710 (b) (4) (1) (IV) of the Indian Gaming Regulatory Act.

Section 21. License Revocable.

Any license that is issued under this Ordinance is revocable and no person holding a license acquires any vested rights in it. Any applicant for a license has the burden of proof of qualification and is required to submit to such investigation as regards to his past conduct, as may be required by the Commission. No license issued pursuant to this Ordinance may be transferred.

Section 22. Requirements to Hold License.

All primary management officials and key employees of any gaming facility operated on the Oglala Sioux Indian Reservation shall be subject to background investigations prior to obtaining a license. Such investigations shall be conducted by the Gaming Commission. The Gaming Commission shall notify the National Indian Gaming Commission of the issuance of gaming licenses.

No person shall be eligible for employment in any gaming facility operated on the Pine Ridge Indian Reservation if that person's prior activities, criminal record, reputation, habits or associations pose a threat to the public interest or to the effective regulation of gaming or create or enhance the dangers of unsuitable, unfair or illegal practices, methods or activities in the conduct of gaming.

Section 23. Application Forms

a. The following notice shall be placed on the application form for a key employee or a primary management official before that form is filled out by an applicant:

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested

information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to hire you in a primary management official or key employee position.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

b. Existing key employees and primary management officials shall be notified in writing that they shall either:

1. Complete a new application form that contains a Privacy Act notice; or
2. Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

c. The following notice shall be placed on the application form for a key employee or a primary official before that form is filled out by an applicant.

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment.

(U.S. Code, title 18, section 1001.)

d. The Tribe shall notify in writing existing key employees and primary management officials that they shall either:

1. Complete a new application form that contains a notice regarding false statements; or

2. Sign a statement that contains the notice regarding false statement.

Section 24. Background Investigations

a. The Oglala Sioux Tribe Gaming Commission shall request from each primary management official and from each key employee all of the following information:

1. Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);
2. Currently and for the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;
3. The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence listed under paragraph (1)(b) of this section;
4. Current business and residence telephone numbers;
5. A description of any existing and previous business relationships with indian tribes, including ownership interests in those businesses;
6. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
7. The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
8. For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition if any;
9. For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), within 10 years of the date of the application, the name and address of the court involved and the date and disposition;

Section 25. Revocation of License.

A license may be revoked, upon a finding by the Commission, of a violation of the Gaming Ordinance or Regulations. A person holding a license shall be notified that revocation of his license is being considered by the Commission. The license holder, may, upon such notice, request an informal hearing before the Commission prior to the revocation of his license. Any disciplinary action, including the suspension or revocation of a gaming license, shall comply with the provisions of Chapter 10 of the Oglala Sioux Tribe Gaming Regulations.

Section 26. Notice.

Notice, when required by this Ordinance, shall be given by registered mail and shall be considered to be complete upon placing the notice in the U.S. mail, postage prepaid.

Section 27. Requirements of Person Having Interest.

Any person, any stockholder of any corporation or any partner in any partnership involved as a manufacturer, operator or retailer with the conduct of the card games or slot machines, shall be:

1. A person of good character, honesty, and integrity;
2. A person whose prior activities, criminal record, reputation, habits, and associations do not pose a threat to the public interests of the Tribe or of the gaming, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental to the conduct of gaming;
3. A person who has not been convicted of a felony in this or any other jurisdiction, unless ten (10) years have passed since satisfactory completion of the sentence or probation imposed by the court in each felony, has not been found to have violated the provisions of this Ordinance or any rule adopted pursuant to this Ordinance, and has not knowingly made a false statement of material facts to the Commission or its legal counsel.

Section 28. Reimbursement to Commission for Investigation.

Any applicant for a license under this Ordinance shall reimburse the Commission for any costs of investigation over and above the initial licensure fee charged at the time of application to determine if he is a suitable licensee under this Ordinance. By signing and filing an application for a license, the applicant authorizes the Commission to obtain information from other states regarding prior license applications, or conduct of the applicant or any of its shareholders, partners, agents, or employees in those states. The National Indian Gaming Commission shall be notified of the results of all such investigations.

Section 29. Age Limit for Players.

Any participant in a card game or slot machine shall be twenty-one (21) years or older at the time of his participation.

Section 30. Penalties.

Any person who knowingly makes a false statement in any application for a license or in any statement attached to the application, or who fails to keep sufficient books and records to substantiate the receipts, expenses or uses resulting from limited card games and slot machines conducted under this Ordinance, or who falsifies any books or records so as the books or records relate to any transaction connected with the holding, operating, and conducting of any gaming activity, or who violates any of the provisions of this Ordinance, or any rule adopted by the Commission, or any terms of license granted under this Ordinance, shall be in violation of this Ordinance. The Oglala Sioux Tribe recognizes that it may not subject non-Indian offenders to the criminal jurisdiction of its tribal court. This provision is not intended to subject individuals to criminal penalties. These penalties are intended to be regulatory in nature.

Section 31. Illegal Games and Activities.

It is unlawful for any person playing or conducting any authorized game of chance, conducted by a licensee to:

1. Use bogus or counterfeit chips, tokens, devices or coins;
2. Employ or have on one's person any cheating device to facilitate cheating in any game of chance;

3. Use any fraudulent scheme or technique;
4. Have located on the premises, equipment for gaming that is not licensed by the Commission under this Ordinance except equipment exempted by the Commission, this Ordinance or other statutes.

A person violating this section is guilty of an offense and upon conviction thereof shall be sentenced to imprisonment for a period not to exceed thirty (30) days or a fine not to exceed \$250.00, or both such fine and imprisonment, plus costs, unless the amount gained through violating this section is more than Five Hundred Dollars (\$500.00), in which case such person shall be sentenced to imprisonment for a period not to exceed one hundred eighty (180) days or a fine not to exceed \$5,000.00, or both such fine and imprisonment, plus costs.

Section 32. Requirements of Slot Machines.

All slot machines operated within the Pine Ridge Indian Reservation shall have the following security and audit specifications:

1. Microprocessor controlled;
2. Compatible to on-line data monitoring;
3. Internal locked enclosure for circuit board;
4. Continue game with no data loss after power failure;
5. Previous and current game data recall;
6. Random selection process that satisfies ninety-five percent (95%) confidence level using standard chi-squared, runs, and serial correlation tests;
7. Clearly display applicable rules of play and payout schedule; and
8. Display an accurate set of non-volatile meters, in, out, drop, handle, and jackpot.

Section 33. Audits.

The Commission shall require annual audits of all gaming activities. The audits shall be conducted by an independent auditing firm. All such audits shall be made

available to tribal council members upon written request. Audits shall also be required of all contracts for goods and services related to the gaming activities which exceed Twenty-Five Thousand Dollars (\$25,000.00) per year.

Section 34. Notices.

All Regulations, Ordinances, or internal rules enacted by the Commission shall be posted in the Tribal office. An interested party who is affected by a Commission ruling may request a hearing before the Commission and may appeal an adverse ruling to the Oglala Sioux Tribal Court pursuant to Section 12 of this Ordinance.

Section 35. Records of Gaming Commission.

Information and records of the Commission on gaming enumerated by this section are confidential and may not be disclosed except pursuant to a court order. No person may use a subpoena, discovery or other applicable statutes to obtain such information or records. Information and records considered confidential include:

1. Tax returns of individual licensees;
2. Applications, credit, medical and security reports of applicants for licenses and other persons seeking or doing business with the Commission;
3. Marketing, financial or sales data, the disclosure of which may be harmful to the competitive position of Oglala Sioux tribal gaming, its licensees or persons seeking or doing business with the Commission;
4. Audit work papers, worksheets and auditing procedures used by the Commission, its agents or employees.

Section 36. Communications Between Commission and Executive Secretary.

Communications between the Commission and the Executive Secretary relating to licensing, disciplining of licensees, or violations by licensees are privileged and confidential if made lawfully and in the course of and in furtherance of the business of the Commission on gaming, except pursuant to court order after an in-camera review. The Executive Secretary, the Commission or any member of the Commission may claim this privilege.

Section 37. Exclusion or Ejection of Certain Persons From Gaming Establishment.

The Tribe hereby declares that the exclusion or ejection of certain persons from licensed gaming establishments is necessary to carry out the policies of this Ordinance and to maintain effectively the strict regulation of licensed gaming.

The Commission may provide for the establishment of a list of persons who are to be excluded or ejected from any licensed gaming establishment, including any person whose presence in the establishment is determined to pose a threat to the interest of the Oglala Sioux Tribe or the State of South Dakota or to licensed gaming. In making the determination for exclusion, the Commission may consider any of the following:

1. Prior conviction of a felony, a misdemeanor involving moral turpitude or a violation of the gaming laws of any state, the United States, any of its possessions or territories including Indian tribes;
2. A violation, attempt to violate or conspiracy to violate the provisions of this chapter relating to the failure to disclose an interest in a gaming establishment for which the person must obtain a license or make disclosures to the Commission; or intentional evasion of fees or taxes;
3. Notorious or unsavory reputation that would adversely affect public confidence and trust that the gaming industry is free from criminal or corruptive influences.

If the name and description of any person is placed on the exclusion list, the Commission shall serve notice of that action upon the person by at least one of the following means:

1. By personal service;
2. By certified mail to the last known address of the person; or
3. By publication in an official newspaper for Shannon County.

A person placed upon the exclusion list may contest that action by filing a written protest with the Commission and the protest shall be heard by the Commission.

Section 38. Minimum Payback.

The minimum payback value of one credit played on a slot machine shall be at least eighty percent (80%) of the value of the credit. No slot machine may be played by more than one person at a time.

Section 39. Policy.

It shall be the policy of the Oglala Sioux Tribe to fully comply with all applicable U.S. federal law including the provisions of the Indian Gaming Regulatory Act (25 U.S.C. Section 2701 et seq.) and the tribal/state compact negotiated with the State of South Dakota in the conduct of all gaming activity within the jurisdiction of the Oglala Sioux Tribe.

Section 40. Proprietary Interest.

The Oglala Sioux Tribe shall have the sole proprietary interest and responsibility for the conduct of any gaming activity within the jurisdiction of the Oglala Sioux Tribe.

Section 41. Net Revenues.

Net revenues derived from gaming activity shall be utilized for the following purposes:

1. To fund tribal government operations or programs;
2. To provide for the general welfare of the Oglala Sioux Tribe and tribal members;
3. To promote tribal economic development;
4. To donate to charitable organizations;
5. To help fund operations of local government agencies;

but in no event shall proceeds from such net revenues be distributed to individual members of the Oglala Sioux Tribal Council.

Section 42. Protections.

It is the further duty of the Oglala Sioux Tribal Gaming Commission to ensure that any construction and maintenance of any gaming facility licensed by the Commission, and the operation of the gaming activity therein shall be conducted in a manner which adequately protects the environment and the public's health and safety.

Section 43. Management Agreements.

All management agreements entered into by the Tribe, if any, shall comply with all the applicable provisions of the Indian Gaming Regulatory Act, 25 U.S.C. Section 2711.

Section 44. Internal Revenue Code.

All applicable Internal Revenue Code provisions concerning reporting and withholding of taxes with respect to the winnings from gaming shall be adhered to.

Section 45. Designation of Agent For Service.

The President of the Oglala Sioux Tribe is hereby designated as agent for service of any official determination, order, or notice of violation. The address of the President is Oglala Sioux Tribe, P. O. Box H, Pine Ridge, South Dakota. The phone number of the President is (605) 867-5821 and the fax number is (605) 867-5699.