

NATIONAL
INDIAN
GAMING
COMMISSION

JUL 11 1995

Robert G. Calac, Chairman
Rincon Business Committee
P.O. Box 68
Valley Center, CA 92082

Dear Chairman Calac:

This letter responds to your request to review and approve the tribal gaming ordinance, Ordinance No. 94-01A, adopted as amended on June 22, 1995, by the Rincon Band of Mission Indians (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. Also, such approval does not constitute approval of specific games. It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

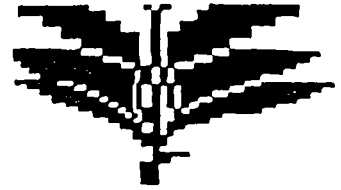
This ordinance is approved under the assumption that the Tribe does not intend to allow individualized gaming on the reservation. If, however, the Tribe does intend to allow individualized gaming, it must be in accordance with 25 C.F.R. §§ 522.10 and/or 522.11.

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 Rincon Band of Mission Indians for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,


Harold A. Monteau
Chairman



Rincon Indian Reservation

P O BOX 62 • VALLEY CENTER • CALIFORNIA 92082 • (619) 749-1051

ORDINANCE NO. 94-11

AN ORDINANCE OF THE BUSINESS COMMITTEE OF THE RINCON SAN LUISEÑO BAND OF MISSION INDIANS ESTABLISHING THE RINCON GAMING COMMISSION

SECTION 100.01 TITLE:

This title is adopted to enact and implement regulations establishing the Rincon Gaming Commission. This ordinance shall be known as the "Rincon Gaming Commission."

SECTION 100.02 AUTHORITY:

Pursuant to the provisions of the Indian Gaming Regulatory Act of 1988, and the authority vested in the Rincon Business Committee by its Articles of Association, the Committee hereby enacts and adopts the following ordinance for the establishment of a Gaming Commission to oversee the regulations, operations and functions of the Rincon Gaming Casino Enterprise.

SECTION 100.03 DUTIES AND FUNCTIONS OF GAMING COMMISSION

The Rincon Gaming Commission shall perform the following duties and functions:

1. Develop and implement licensing procedures for all employees of the gaming operations pursuant to federal law(s).
2. Issue, suspend, revoke, and renew licenses of primary management officials and key employees, as defined in Rincon Ordinance No. 94-01, upon completion of background investigations and other IGRA requirements.
3. Conduct or cause the background investigations on primary management officials and key employees.
4. Forward all completed employment applications and background investigative reports for each primary management official and key employee to the National Indian Gaming Commission (hereafter called "NIGC") prior to issuing a license to each person applying for employment. Privacy Act notice affidavits and notice of false statements shall be included with each application submitted to NIGC for processing.
5. Review a person's prior activities, criminal record (if any), and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in the gaming operation.
6. Notify NIGC, if the tribe does not license an individual as a primary management official or key employee.
7. Keep and maintain applications and reports of background investigations of primary

management officials and key employees for 3 years after termination of employment.

8. Issue license to operate for each facility or location where tribe elects to allow gaming.
9. Obtain and submit annual audits to NIGC and include all gaming related contracts resulting in purchases of supplies, services or concessions for more than \$25,000 in any calendar year.
10. Construct, maintain and operate gaming facilities in a manner to protect the public health, safety and welfare, and protect the environment.
11. Monitor gaming activities to ensure compliance with tribal law/regulations.
12. Conduct investigations of possible violations and take enforcement action, and cooperate with other law enforcement agencies and other regulatory agencies regarding gaming operations.
13. Provide independent information to the tribe on the status of the tribe's gaming activities.
14. Adopt and establish procedures to conduct hearings on regulatory matters, including the revocation of primary management official and key employee licenses.
15. Establish and implement minimum internal control standards for the gaming operation, including credit policies and procedures for acquiring supplies and equipment.
16. Establish any necessary criteria for the licensing of primary management officials, key employees, and other employees.
17. Establish and approve rules of various games, and inspect games, tables, equipment, machines, cards, dice, and chips or tokens used in the gaming enterprise. Establish and approve video surveillance standards. Establish standards/criteria for gaming machines and facilitate the testing of machines for compliance.
18. Adopt and establish procedures to resolve patron disputes, employees grievances, vendor complaints, and other problems.
19. Perform or cause to be performed audits of business transactions to ensure compliance with tribal regulations and/or policy.
20. Establish and oversee standards for and issuance of licenses or permits to persons and entities who deal with the gaming operation such as manufacturers and suppliers of machines, equipment and supplies.

SECTION 100.04 GAMING COMMISSION:

a. Establishment of the Rincon Gaming Commission
The Rincon Business Committee hereby establishes a Rincon Gaming Commission (hereafter called

the "Commission"). The Commission shall be composed of seven (7) persons and 1 Alternate, all of whom shall be appointed by the Rincon Business Committee.

b. Qualifications for Office

The following criteria shall be required for holding the office as Gaming Commissioner:

- (1) Twenty-one (21) years of age,
- (2) Legal resident of the United States of America,
- (3) Tribal and non-tribal members with emphasis on special professional expertise or academic degrees in the fields of accounting, law enforcement, personnel, marketing, public relations, fund management and/or investments, casino/gaming operations, hotel and/or recreational enterprises, administration, or human relations, and
- (4) Each Gaming Commission members shall attend a minimum of twelve (120 hours of seminars and/or continuing education programs hear on such subjects, including but not limited to: surveillance techniques, fund management and investment, equal opportunity laws, sexual harassment laws, gambling scams, employee theft, drug detection, and other similar related topics.

c. Disqualifications for Office

The following persons may not serve as Gaming Commissioners:

- (1) Employees of any gaming enterprise on the Reservation;
- (2) Any persons or person convicted of a felony;
- (3) Any person or persons related to any gaming contractor (including any principal thereof or closely associated independent contractor);
- (4) Any person or persons employed in any capacity by the Tribal Government or holding an office as elected/appointed official including tribal council or business committee members;
- (5) Any person or persons having any financial or contractual interest in or responsibility for, either directly or indirectly, any gaming related contract with the Tribe or any gaming enterprise on the Reservation.
- (6) Any person or their immediate family owning stock, or stock options or similar investments in any vendor, technical services or management company doing business with the Rincon Reservation gaming enterprise.

d. Terms of Office

The Commissioners shall serve for rotating, three-year terms. To establish the rotating terms of office, the following schedule for expiration of offices shall apply: three (3) Commissioner terms shall expire on October 31, 1997, and two (2) Commissioner and one Alternate Commissioner terms shall expire on October 31, 1998. The two (2) remaining Commissioner terms shall expire on

October 31, 1999. Thereafter, each Commissioner appointed and qualified for office shall serve rotating, three-year terms. Commissioners may serve for more than one term but no more than three consecutive terms.

No person or persons who have served as a Rincon Gaming Commissioner shall accept a managerial, consultant, or executive with any management company or its subsidiaries of the gaming enterprise for two (2) years after their service as a Gaming Commissioner.

e. Removal from Office

Commissioners may only be removed from office before the expiration of their terms by the Business Committee for neglect of duty, malfeasance or committing a felony or any other criminal conviction as set forth in Tribal Ordinance No. 94-03.

f. Quorum

Four (4) members of the Rincon Gaming Commission shall constitute a quorum or in the event that there are not four serving Commissioners, the Gaming Commission shall convene, at a regular or special meeting, to establish and constitute a quorum for purposes of conducting business.

g. Officers and Duties

The Gaming Commission shall select, by majority vote, a Chair, Vice-Chair and Secretary. The Chair shall preside over meetings of the Rincon Gaming Commission and the Vice-Chair shall preside in the absence of the Chair. The Secretary shall record in writing the minutes of all Gaming Commission meetings and all official actions taken by the Rincon Gaming Commission. Said Officers shall serve for one year terms and may not serve in the same position for more than two consecutive years.

h. Voting

All actions of the Rincon Gaming Commission shall be taken by majority vote. The Commission Chair may vote on any issue or matter pending before the full body.

i. Meetings

Meetings shall be held at least once a month, on first Tuesday of each month, unless there is an official, declared holiday, at the Commission's office. Additional meetings shall be held as called by the Chair or by at least two (2) Commissioners, one of whom shall be the Vice-Chair. All meetings shall be open to the public. The Commission meeting agenda may allow for closed sessions to deal with matters related to: personnel, litigation and negotiation.

j. Notice of Meetings

Notice of all meetings, regular and/or special, shall be given in writing and posted in three public places, and to each Commissioner. Regular meeting notices shall be posted, at least three (3) days prior to such meeting. Special meeting notices shall be posted at least twenty-four (24) hours prior to such meeting. In the event of an urgency, such as a natural or man-made disaster, no advance meeting notice is required in order to hold a meeting.

k. Compensation, Benefits and Expenses

Commissioners shall be compensated for serving on the Commission at rates to be set by the Tribal Business Committee. Such rates shall be identical for all Commissioners. Step increases may be allowed based upon length of service. Commissioners shall be eligible for fringe benefits which are available to other employees of the Band to the extent the provider of such benefits qualifies Commission positions for such benefits. Commissioners shall be reimbursed for expenses incurred in connection with the performance of their Commission duties, subject to approval by the Tribal Business Committee, approved Commission annual budget allocations, and in accordance with applicable expenditure procedures. Salaries for a particular Gaming Commissioner shall not be lowered during a Commissioners term of office unless all Commissioner salaries are adjusted for purposes of lowering gaming enterprise expenses.

l. Powers and Duties

The Gaming Commission shall have the power and duty to:

(1) Inspect, examine and monitor gaming activities, including the power to demand access to and inspect, examine, photocopy and audit all papers, books and records respecting such gaming activities;

(2) Investigate any suspicion of wrongdoing in connection with any gaming activity;

(3) Conduct or cause to be conducted such investigations as may be necessary to determine in connection with any gaming activity, compliance with law or this ordinance or any contracts, agreements, goods, services, events, incidents, or other matters related to gaming activities;

(4) Establish and collect license, investigation, and regulatory fees to cover the costs connected therewith;

(5) Conduct background investigations regarding any person or entity in any way connected with any gaming activity and issue licenses to, at minimum, all qualified gaming enterprise key employees and primary management officials under requirements at least as stringent as those established in 25 CFR Parts 556 and 558; and grant, suspend, revoke, and renew licenses and hear matters affecting such granting, suspension, revocation, or renewal of licenses;

(6) Hold such hearings, sit and act at such times and places, summon persons on the reservation to attend and testify at such hearings, take such testimony, and receive such evidence as the Gaming Commission deems relevant in fulfilling its duties;

(7) Administer oaths or affirmations to witnesses appearing before the Gaming Commission;

(8) Implement and administer a system or systems, including the development and implementation of regulations, for investigating, licensing and monitoring management, employees, vendors and others connected with gaming activities, as described herein, including the issuance of

licenses to gaming facilities, individuals and entities and the verification of internal controls, as required under this ordinance, IGRA, and any tribal-state compact or equivalent procedure prescribed by the Secretary of the Interior;

(9) Develop and adopt rules for any class II or class III gaming activity on the Reservation, except that rules for class III activities shall not be in conflict with rules, if any, adopted under any tribal-state compact;

(10) Issue such other regulations as it deems appropriate in order to implement the provisions of this ordinance; and

(11) Carry out such other regulatory duties with respect to gaming activities as the Tribal Business Committee shall direct.

m. Annual Reports

On or before the last day of the third month after the close of Rincon's fiscal year of each year, the Gaming Commission shall provide to the Tribal Business Committee, an annual report summarizing its activities during the prior fiscal year, and accounting for all receipts and disbursements. Such annual report shall include an audited statement of accounting.

n. Funding

All funding of the Gaming Commission shall be in accordance with an annual budget to be proposed to the Tribal Business Committee ninety (90) days prior to the close of the Tribe's fiscal year and modified, if necessary, and approved and funded in accordance with the tribe's procedures for approving and funding budgets for other departments and agencies of the tribal government. In preparing the annual budget, all actual and anticipated surplus funds of the Gaming Commission shall be taken into account. Expenditures by the Gaming Commission shall be in accordance with the approved Commission annual budget. Changes in the approved annual budget and requests for additional funds shall be by petition to the Tribal Business Committee, in accordance with such procedures, if any for other tribal governmental departments and agencies.

o. Gaming Commission's Relationship to Tribal Government; Supervision of Administration

1) Agency of Tribal Government: The Tribal Gaming Commission shall be deemed to be an agency of the tribal government and as such shall be subject to personnel and other governmental administrative policies. The administration of all such policies shall be under the supervision of the Tribal Business Committee. In the absence of applicable tribal personnel policies, the Gaming Commission shall adopt its own policies governing personnel subject to approval of the Tribe.

2) Independent Decision-Making Authority

Notwithstanding the fact that the Rincon Gaming Commission is an agency of tribal government, the decisions of the Commission regarding licensing, suitability, compliance with applicable law and other regulatory matters shall be within the exclusive province of the Commission and shall not be subject to appeal except as set forth herein. Any person or entity adversely affected by a ruling of the

Commission, including but not limited to the gaming enterprise or any employee thereof, may petition the Tribal Business Committee for review of such decision, which shall only be reversed by a majority vote of the Committee at a duly held meeting at which such matter has been placed on the agenda at least fifteen (15) days prior to such meeting.

SECTION 100.05 SEVERABILITY

If any provision or clause of this ordinance or the application thereof to any person or circumstance is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect the implemented ordinance without the invalid provision, clause or application, and to this end the provision and clauses of this ordinance are declared to be severable.

SECTION 100.06 EFFECTIVE DATE

This ordinance shall take effect immediately when adopted by a majority vote of the Business Committee and shall rescind, supersede and replace in its entirety any previously adopted Tribal Ordinance governing the creation of a gaming commission.

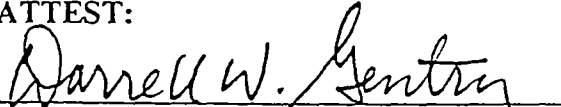
INTRODUCED, PASSED AND ADOPTED by the Business Committee of the Rincon San Luiseño Band of Mission Indians at its regular meeting held on the 1st day of February, 1995 by the following roll call vote:

Ayes: 5 Council Members: Chair Robert G. Calac, Vice-Chair Richard Garcia,
Ruth Calac, Patricia Duro and Gilbert Parada

Noes: 0

Abstain/Absent: 0

ATTEST:



Darrell W. Gentry, Acting Recording Secretary

Date: March 27, 1995

JUN 26 1995

ORDINANCE NO. 94-01A
GAMING ORDINANCE SETTING FORTH REGULATIONS FOR CLASS II AND CLASS
III GAMES AND OPERATIONS AND
REPEALING ALL EXISTING GAMING ORDINANCES
FOR THE RINCON, SAN LUISEÑO BAND OF MISSION INDIANS
(AS AMENDED, JUNE 22, 1995)

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ORDINANCE NO. 94-01A
GAMING ORDINANCE SETTING FORTH REGULATIONS FOR CLASS II AND CLASS
III GAMES AND OPERATIONS AND REPEALING ALL EXISTING GAMING
ORDINANCES FOR THE RINCON, SAN LUISEÑO BAND OF MISSION INDIANS
(AS AMENDED, JUNE 22, 1995)

Section 1. Title.

This Ordinance shall be known as the Rincon San Luiseño Band of Mission Indians Gaming Ordinance.

Section 2. Findings.

The Business Committee of the Rincon San Luiseño Band of Mission Indians finds that:

A. The Rincon Business Committee is empowered by its Articles of Association, as amended and approved August 21, 1969, to enact ordinances within the jurisdiction of the Rincon San Luiseño Band of Mission Indians.

B. It is essential to the health, safety and general welfare of the Rincon San Luiseño Band of Mission Indians and the visitors to the Rincon Reservation that standards and regulations be promulgated to govern the conduct of gaming activities on Rincon Indian Lands.

Section 3. Purposes.

The purposes of this Gaming Ordinance are to:

A. Provide standards and regulations governing the conduct of gaming activities on Rincon Indian Lands;

B. Promote tribal economic development;

C. Enhance employment opportunities for tribal members;

D. Strengthen the economy of the Rincon San Luiseño Band of Mission Indians; and

E. Generate revenue for use in improving the health, education and general welfare of enrolled members of the Rincon San Luiseño Band of Mission Indians.

I. General Provisions

Section 4. Definitions.

1. "Act" or "I.G.R.A." means the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 et seq.

2. "Business Committee" means the Rincon Business Committee, governing body of the Tribe.

3. "Class II Gaming" means all forms of gaming which are defined as "Class II Gaming" in the Indian Gaming Regulatory Act, P.L. 100-497 (1988), codified at 25 U.S.C. §§ 2701-2721, and accompanying federal regulations.

4. "Class III Gaming" means all forms of gaming that are defined as "Class III Gaming" in the Indian Gaming Regulatory Act, Pub.L. No. 100-497 (1988), codified at 25 U.S.C. §§ 2701-2721, and accompanying federal regulations.

5. "Compact" means any Compact by and between the Tribe and the State of California setting forth an agreement for operation of Class III gaming on Rincon Indian Lands.

6. "Entity" means any organization, including any division, department or other unit therein, and includes, but shall not be limited to, a public or private corporation, partnership, joint venture, voluntary or unincorporated association, organization, proprietorship, trust, estate, commission, bureau, department of governmental agency except that "entity" shall not include the Tribe.

7. "Gaming Commission" means the Rincon Gaming Commission, established and empowered pursuant to Ordinance No. 94-11 and this Ordinance.

8. "Indian Lands" or "Rincon Indian Lands" means all lands within the limits of the Rincon Indian Reservation; or any lands title to which is either held in trust by the United States for the benefit of the Tribe or individual Tribal member or held by the Tribe or individual Tribal member subject to restriction by the United States against alienation, and over which the Tribe exercises governmental power.

9. "Key Employee" is defined as in 25 C.F.R. §502.14, as may be amended from time to time.

10. "Net Revenues" means gross gaming revenues of the Tribe's gaming operation less (i) amounts paid out as, or paid for, prizes and (ii) total gaming-related operating expenses, excluding management fees.

11. "Ordinance" means this Rincon San Luiseño Band of Mission Indians Gaming Ordinance.

12. "Ordinance No. 94-11" means that certain Ordinance of the Business Committee of the Rincon San Luiseño Band of Mission Indians Establishing the Rincon Gaming Commission, as adopted by the Business Committee on February 1, 1995.

13. "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, partnership, joint venture, club, company, joint stock company, business trust, corporation, association, society, or any group of individuals acting as a unit, whether mutual cooperative, fraternal or nonprofit doing business within Indian Lands. The Tribe is not within the definition of person.

14. "Primary Management Official" is defined as in 25 C.F.R. §502.19, as may be amended from time to time.

15. "Tribal gaming facility" or "Gaming facility" means any location where Class II or Class III gaming is conducted.

16. "Tribal gaming operation" means any Class II or Class III gaming operation conducted on Rincon Indian Lands.

17. "Tribe" or "Tribal" means or refers to the Rincon San Luiseño Band of Mission Indians, its agencies and officials.

Section 5. Gaming Authorized and Regulated.

A. Class II gaming and Class III gaming are authorized on Indian Lands. Class II gaming and Class III gaming shall be regulated by the Gaming Commission and shall only be operated consistent with the provisions of this Ordinance, Ordinance No. 94-11, the Act and regulations promulgated by the National Indian Gaming Commission pursuant to the Act.

Section 6. Use of Revenues from Class II and Class III Gaming Activities.

A. Net revenues from Class II and Class III gaming activities shall be used only to:

1. fund tribal government operations or programs;
2. provide for the general welfare of the Tribe and Tribal members, including education, health and safety;
3. promote economic development within the Rincon Indian Reservation, including job creation and training, infrastructure improvement and resource management;

4. fund operations of local tribal government agencies providing services, programs, and/or assistance to Rincon residents; and/or

5. donate to charitable and/or nonprofit organizations.

B. The Business Committee may elect to authorize the distribution of per capita payments to Tribal members pursuant to guidelines established and adopted by the Business Committee and consistent with applicable federal law.

Section 7. Gaming Facilities.

A. To ensure that the environment and the public safety and welfare are adequately protected, each gaming facility shall be constructed and maintained in compliance with applicable tribal and federal laws, including but not limited to fire codes, safety codes and building codes.

B. Each gaming facility shall be subject to inspection to insure compliance, annually or on such basis as the Tribal Building inspector, or if none, Business Committee determines necessary and appropriate.

Section 8. Minors, Employees Prohibited.

1. No person under the age of 18 years shall be permitted to play any Class II or Class III game.

II. Administration

Section 9. Tribal Gaming Commission.

A. Establishment and Composition.

The Gaming Commission is established and composed pursuant to Ordinance No. 94-11.

B. Duties and Powers.

The Gaming Commission shall continue to have the duties and be empowered pursuant to Ordinance No. 94-11. In addition, the Gaming Commission shall administer the provisions of this Ordinance and shall have all additional powers necessary therefor.

Section 10. Licensing.

A. Authority to License.

1. The Gaming Commission shall have the authority to license and regulate Class II and/or Class III gaming on Indian Lands which is now, or may hereafter, be permitted pursuant to the terms of this Ordinance, Ordinance No. 94-11, the Act and/or any applicable Compact.

B. Types of Licenses to be Issued.

The Gaming Commission shall issue the following licenses for gaming on Indian Lands subject to its authority to license and regulate:

1. Primary Management Official License
2. Key Employee License
3. Other Licenses necessary and appropriate

Section 11. License Fees.

A. Any person making application for a tribal gaming license pursuant to this Ordinance shall submit his or her application, and required forms and information, as set forth by the Gaming Commission, pursuant to this Ordinance, together with an application fee as prescribed by the Gaming Commission.

B. A licensee shall, at least sixty (60) days prior to the expiration of the license, make application for renewal with the Gaming Commission, and shall submit the application and required forms and information together with a renewal fee prescribed by the Gaming Commission.

C. The Gaming Commission shall waive any fees prescribed by it in appropriate circumstances, including cases where so directed by the Business Committee.

Section 12. License Validity: Effective Period and Place.

A. Period. Tribal gaming licenses shall be valid and effective for a period of one year from the date of issue, unless same is sooner suspended or revoked for cause after notice and hearing, pursuant to this Ordinance. The effective date and period shall be stated on the face of the license.

B. Place.

1. A tribal gaming license shall be valid for one (1) facility or location only, and the location shall be identified on the face of the license.

2. If a person or entity desires to be employed with, or operate, more than one gaming location, a separate gaming license must be obtained for each separate facility or location.

C. Facility License. A separate tribal gaming license shall be issued to each place, facility or location on Indian Lands where gaming is allowed in accordance with this Ordinance.

Section 13. License: Qualifications and Requirements.

A. General.

1. An application to receive a tribal gaming license or to be found suitable to receive a tribal gaming license shall not be granted unless the Gaming Commission is satisfied, after review of a background investigation that such applicant is:

a. A person of good character, honesty and integrity;

b. A person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of the Tribe, its members or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto; and

c. In all other respects is qualified to be licensed or found suitable consistent with this Ordinance.

d. An application to receive a tribal gaming license or to be found suitable constitutes a request for a determination of the applicant's general character, integrity and ability to participate or engage in, or be associated with gaming. Any written or oral statement made in the course of an official proceeding of the Gaming Commission or the National Indian Gaming Commission established pursuant to 25 U.S.C. § 2704, by any member thereof or any witness testifying under oath which is relevant to the purpose of the proceeding is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

B. Primary Management Officials, Key and Other Employees: Requirements.

1. No person shall be licensed by the Gaming Commission for employment by a gaming enterprise operated on Indian Lands who:

a. Has been convicted of or who has pled guilty or nolo contendere to any felony, gambling offense, or other

offense involving moral turpitude (except that misdemeanors committed before such person's 18th birthday shall not act to bar his/her employment); or

b. Is under the age of 18, except that, no person shall be licensed by the Gaming Commission for employment as a Primary Management Official or Key Employee who is under the age of 21.

2. No person shall be employed as a Primary Management Official or Key Employee in a Class II or Class III gaming activity who:

a. Has not first applied for and obtained a tribal gaming license pursuant to this Ordinance.

b. Is ineligible for fidelity bonding or similar insurance covering employee dishonesty.

3. Upon request of a gaming operation, the Gaming Commission may issue a temporary gaming license to a Key Employee or Primary Management Official after receipt of a completed license application, as prescribed by paragraph C. of this Section 14, unless grounds sufficient to disqualify the applicant for licensing are apparent on the face of the application. The holder of a temporary gaming license shall enjoy the privileges and be subject to the conditions of an annual license. A temporary license shall expire and become void and of no effect upon a final determination of the applicant's qualifications to hold an annual license or ninety (90) days after the issuance of the temporary license, whichever is sooner. A temporary license shall clearly state on its face that the license is temporary.

4. Every person employed at a gaming facility operated on Indian Lands shall wear an identification badge which conspicuously states the place of employment, the full name and photograph of the person and their position of employment.

C. Primary Management Officials and Key Employees; License Application, Notices.

1. The Gaming Commission shall require that Primary Management Officials and Key Employees make application for a tribal gaming license on a form specified by the Gaming Commission.

2. The application form shall include the following notices:

a. Privacy Notice:

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 the 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 agencies when relevant, to civil, criminal or 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 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. Notice Regarding False Statements.

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).

3. a. All applicants to the Gaming Commission shall be required to sign an acknowledgement of receipt and reading of the Privacy Notice and Notice Regarding False Statements, which shall be placed on the same page immediately following the Notice.

b. The Gaming Commission shall notify in writing existing Key Employees and Primary Management Officials subject to tribal licensure that they shall either:

- (1) Complete a new application form that contains a Privacy Act notice and a Notice Regarding False Statements; or

- (2) Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice and a statement that contains the Notice Regarding False Statements.

4. The tribal gaming license application shall at minimum require the following information:

- (1) Full name, other names used (oral or written), social security numbers(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 (a)(2) 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 (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;
- (10) For each criminal charge (excluding minor traffic charges) whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed pursuant to paragraph (a)(8) or (a)(9) of this section, the criminal charge, the name and address of the court involved, and the date and disposition;
- (11) The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
- (12) A photograph;
- (13) Fingerprints consistent with procedures adopted by the Tribal police or the Gaming Commission consistent with 25 C.F.R. § 522.2(h). Fingerprints shall be taken by the Sheriff of San Diego County, California, pursuant to intergovernmental agreement with the Tribe, and shall be sent directly to the National Indian Gaming Commission by the law enforcement agency taking the fingerprints; and
- (14) Any other information the Gaming Commission deems relevant.

D. Primary Management Officials and Key Employees; Background Investigation; Report.

1. The Gaming Commission shall conduct, or cause to be conducted by an investigator appointed by it, a background investigation for each Primary Management Official and Key Employee. The investigation shall include, at minimum:

- a. Verification of all information on the application;
- b. Interviews of current and prior employers and immediate supervisors for the preceding five (5) years;
- c. Interviews of all personal references;

- d. Obtaining a criminal history record; and
- e. An interview with the applicant.

2. The investigator shall be required to make written report to the Gaming Commission of the investigation, including therein the steps taken in conducting the investigation, the names, addresses and relationship to the applicant of all persons interviewed, the information obtained from persons interviewed regarding the applicant's reputation, habits and associations and the apparent candidness (or lack thereof) of the persons, and any other information garnered or learned about the applicant and the source of the information, and shall particularly identify all potential problem areas and sources of the information.

3. The Gaming Commission shall review the report and any additional information known to it and make a determination of whether the applicant is eligible, meets the requirements for employment and is suitable or poses a threat to the public interest or to the effective regulation of gaming or creates or enhances the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of gaming, particularly identifying all potential problem areas and disqualifying information.

4. The Gaming Commission shall create a report, that at minimum identifies and describes the steps taken in conducting the investigation, the results obtained, the conclusions reached and the basis for these conclusions.

5. The Commission shall not issue a license to any applicant who is not eligible and/or does not meet the requirements for employment as a Primary Management Official or Key Employee.

6. Following its determination and prior to issuance of a license to an applicant determined to meet the requirements, the Gaming Commission shall forward to the National Indian Gaming Commission, no later than 60 days after a Primary Management Official or Key Employee begins work or 60 days after National Indian Gaming Commission approval of this Ordinance, the investigative report and a copy of the eligibility determination. The Gaming Commission may forward the investigative report and a copy of the eligibility determination of applicants denied licensure, and shall notify the National Indian Gaming Commission of its decision not to license an applicant.

Section 14. License Suspension and Revocation.

A. Suspension and Revocation.

A license issued by the Gaming Commission shall be suspended, without prior notice, if the National Indian Gaming Commission notifies the Tribe that a Primary Management Official or Key Employee does not meet the standards established and set forth herein pursuant to the Act and federal regulation. After notice and hearing the Gaming Commission may revoke such license.

B. Suspension and Revocation Notice and Hearing.

1. The Gaming Commission shall promptly notify in writing any tribal licensee whose license has been suspended and may be revoked and shall include in said notice:

a. The effective date of the suspension and proposed revocation;

b. The reason(s) for the suspension and proposed revocation;

c. The right of the licensee to appear before the Gaming Commission, at a specified date, time and place, to challenge the suspension and proposed revocation.

2. A copy of the revocation or reinstatement decision shall be promptly sent to the licensee and to the National Indian Gaming Commission.

C. Revocation Hearing.

1. A tribal licensee may appeal the revocation of his/her license to the Business Committee by sending a written notice of appeal of the revocation to the Business Committee and the Gaming Commission no later than 10 days after the licensee receives notice that his/her license has been revoked. The notice of appeal shall clearly state the reason(s) why the licensee believes his/her license should not be revoked.

2. Upon receipt of the notice of appeal of the license revocation, the Business Committee shall schedule a revocation appeal hearing. Written notice of the time, date and place of the hearing shall be delivered to the licensee no later than five days before the scheduled date of the hearing.

3. The licensee and the Gaming Commission may be represented by legal counsel at the revocation appeal hearing. The licensee and the Gaming Commission may present witnesses and evidence in support of their respective positions and may examine witnesses and evidence presented by the opposing side.

4. A copy of the Business Committee's decision regarding the revocation of a license shall be sent to the

licensee, Gaming Commission and National Indian Gaming Commission.

D. Application for Relicensing.

No person or entity whose Class II or Class III tribal gaming license has been revoked shall be eligible for a new license until 12 months after the effective date of the revocation.

III. Class II Gaming

Section 15. Persons Authorized to Conduct Class II Gaming.

1. All Class II gaming conducted on Indian Lands shall be conducted in compliance with applicable law, rules and regulations of any governmental authority with jurisdiction.

2. The Tribe shall retain and have sole proprietary interest in all Class II gaming. A person or entity may own, operate or conduct a Class II gaming activity on Indian Lands only if that person or entity has first been authorized by the Business Committee, received a license to conduct a Class II gaming activity from the Gaming Commission and otherwise complies with this Ordinance.

3. Subject to subparagraphs (1) and (2) above, the Gaming Commission may license a Class II gaming activity owned in whole or in part, by a person or entity other than the Tribe, provided that no license may be issued to such a person or entity unless the person or entity has first expressly agreed, and commemorated in writing on a form prescribed by the Gaming Commission, that:

a. The gaming activity shall be subject to the provisions of this Section and this Ordinance;

b. Not less than sixty (60%) percent of the Net Revenues from the gaming activity shall be income to the Tribe;

c. The person(s) who own the gaming activity or entity:

(i) is (are) eligible to receive a license from the State of California to conduct the same gaming activity on lands subject to the state's jurisdiction; and

(ii) shall pay an appropriate assessment to the National Indian Gaming Commission for the regulation of the gaming activity, as required by 25 U.S.C. § 2717(a)(1).

4. a. A license to own or operate a Class II gaming establishment shall not be granted unless the applicant has satisfied the Gaming Commission that:

(i) he has adequate business probity and experience in gaming; and

(ii) the proposed financing of the operation is adequate for the nature of the proposed operation and from a suitable source. Any lender or other source of money or credit which the Gaming Commission finds does not meet the standards set forth in Section 13(A)(1) may be deemed unsuitable.

b. The Gaming Commission may in its discretion grant a license to a corporation which has complied with the provisions of this Ordinance.

c. The Gaming Commission may in its discretion grant a license to a limited partnership which has complied with the provisions of this Ordinance.

d. No person or limited partnership, except one whose sole limited partner is a publicly traded corporation which has registered with the Gaming Commission, or business trust organization or other association of a quasi corporate character, is eligible to receive or hold any license, or be a licensee or operator under this Ordinance unless all persons having any direct or indirect interests therein of any nature whatsoever, whether financial, administrative, policy making or supervisory, are individually qualified to be licensed under the provisions of this Ordinance.

e. The Gaming Commission may limit the number of persons who may be financially interested in any corporation or other organization or association licensed under this Ordinance, and consistent with 25 U.S.C. § 2701 et seq. and establish such other qualifications for licenses as they may, in their discretion, deem to be in the public interest and consistent with the declared policy of the Tribe.

6. Income to the Tribe from the gaming activity shall only be used for the purposes described in Section 6 of this Ordinance.

Section 16. Management Contracts.

The Tribe may enter into a management contract for the operation and management of Class II gaming activities. Each such contract must comply with the provisions of this Ordinance, other applicable provisions of tribal law (including, but not limited to, tribal employment preference laws), and provisions of federal law (including, but not limited to, 25 U.S.C. § 2711).

Section 17. Hours of Operation; Notice to Commission.

A. Class II gaming may be conducted 24 hours a day, seven days a week, subject to approval by the Gaming Commission.

B. Prior to operation of Class II gaming or any change in hours of operation, the operator shall:

1. Notify the Gaming Commission of the proposed hours and days its facility will be open, and the hours and days gaming will be conducted.

2. The proposed schedule shall be approved unless the Gaming Commission notifies the owner or operator of its objection within 15 days of its receipt of the proposed schedule.

3. If the Gaming Commission makes objection, it shall state its reasons and the changes necessary, and the proposer may submit a revised proposal accommodating the Gaming Commission's objections, or may request an opportunity to rebut the objections.

a. Submission of a revised schedule, incorporating and accommodating the objections, shall be deemed approved upon its submission.

b. If an opportunity to rebut is requested, a conference shall be set within fifteen (15) days. The Gaming Commission shall issue its decision, which shall be final and not subject to further appeal, within fifteen (15) days of the conference.

IV. Class III Gaming

Section 18. Compliance with Applicable Law.

All Class III gaming conducted on Indian Lands shall be conducted in compliance with applicable laws, rules and regulations of any governmental authority with jurisdiction, and with any applicable Compact.

Section 19. Authorized Ownership and Operation.

A. The Tribe may own and operate one or more Class III gaming facilities on Indian Lands and shall retain and have sole proprietary interest in Class III gaming operations.

B. Persons or entities other than the Tribe may own and operate Class III gaming on Indian Lands only if, and to the extent, authorized by the Business Committee.

C. 1. No Class III gaming shall be conducted unless all required licenses shall have first been applied for and obtained, pursuant to applicable laws, rules and regulations.

2. Nothing in this paragraph shall be deemed to require the Tribe to apply for or obtain a license to conduct Class III gaming.

D. For each Class III gaming facility, the owner shall submit its proposed operational plan to the Gaming Commission, which shall receive approval if:

1. the proposed facility is in compliance with safety requirements of this Ordinance; and

2. the Class III gaming operation proposal complies with all applicable laws, rules and regulations and with any applicable Compact.

Section 20. Regulation and Inspection.

A. The Gaming Commission shall adopt all necessary and appropriate rules and regulations for Class III gaming, which may include but not be limited to:

1. Game rules and conduct;
2. Public display of rules requirements;
3. Facility patron safety and security requirements;
4. Permitted Games Specifications and Requirements;

and

5. Background investigations, application and release forms.

B. Class III facilities shall be open at all usual business hours for inspection by the Gaming Commission.

Section 21. Hours of Operation.

A. Class III gaming may be conducted 24 hours a day, seven days a week, subject to approval by the Gaming Commission, as is applicable.

B. The gaming operation shall submit, and the Gaming Commission may approve, proposed hours of operation unless the proposed hours pose a risk to the health, welfare or safety of the public.

Section 22. Games Permitted.

A. Any Class III game or games permitted pursuant to the Compact may be conducted at a Class III gaming facility, subject to applicable laws, rules and regulations.

B. Any Class III game which is herebefore or hereafter permitted on Indian Lands under federal law or amendments thereto, may be conducted at a Class III gaming facility subject to applicable laws, rules or regulations.

Section 23. Management Contracts.

The Business Committee may enter into a management contract on behalf of the Tribe for the operation and management of Class III gaming activities. Each such contract must comply with the provisions of this Ordinance, applicable tribal law (including, but not limited to, tribal employment preference laws), and applicable federal law (including, but not limited to, 25 U.S.C. § 2711).

Section 24. Resolution of Disputes with Gaming Public.

Disputes between the gaming public and a gaming operation, which involve Class II and/or Class III gaming, shall be resolved by the Gaming Commission. Hearing shall be held within twenty (20) days of a written complaint filed by a member of the gaming public. The Gaming Commission shall adopt and publish guidelines and procedures for such hearings. A final Commission decision may be appealed to a court of competent jurisdiction.

V. Records and Audits

Section 25. Records Maintenance.

A. Each gaming facility shall maintain accurate and up-to-date records for each gaming activity conducted.

Records shall include records of:

1. all financial transactions;
2. personnel;
3. complaints of patrons;
4. facility in-house investigations of any kind;
5. incidents and accidents;
6. actions by facility against players or facility visitors;

7. actions by facility against or in reprimand of employees; and

8. any additional records required by the Gaming Commission.

Section 26. Independent Audits.

A. 1. Gaming Activities.

The Business Committee shall cause an audit to be conducted each year on all Class II and Class III gaming activities licensed or conducted on Indian Lands. Such audit(s) shall be conducted by an independent auditing firm, selected at the sole discretion of the Business Committee. However, nothing in this paragraph shall prohibit the annual audit of tribal gaming activities from being encompassed within the Tribe's existing audit system.

B. Contracts for Supplies, Services or Concessions.

Each contract for supplies, services, or concessions with a contract amount in excess of \$25,000 annually (except contracts for professional legal or accounting services) relating to a Class II or Class III gaming activity shall be subject to the independent audit required by subparagraph (A), above.

C. Audit Report to be Provided to National Indian Gaming Commission. The Business Committee shall furnish a copy of each annual gaming activities audit report to the National Indian Gaming Commission, as required by 25 U.S.C. § 2710(b)(2)(C).

VI. Enforcement and Validity of Ordinance

Section 27. Enforcement.

If any person or entity fails or refuses to pay a monetary penalty or administrative fine imposed by the Gaming Commission, or otherwise fails to comply with final action of the Gaming Commission, and such person has failed to timely commence an appeal of the imposition or action before the Business Committee or the Business Committee has upheld the imposition or action, the Tribe may proceed to collect the assessment or enforce the action by initiating a civil action against the person or entity in any court of competent jurisdiction. In a civil action, the validity and amount of any monetary penalty or administrative fine imposed by the Gaming Commission shall not be subject to judicial review. The Tribe shall be entitled to all remedies in law or in equity that are available to civil litigants generally. The provisions of this Section 27 shall in no way limit the remedies at law or in equity otherwise available to the Tribe.

Section 28. Severability.

If any provision or provisions in this Ordinance are held invalid by a court of competent jurisdiction, this Ordinance shall continue in effect as if the invalid provision(s) were not a part hereof.

Section 29. Effective Date of Ordinance; Repeal of Prior Ordinances.

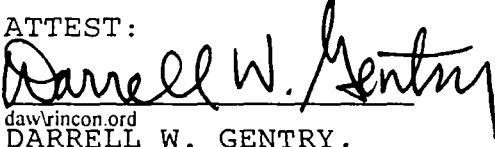
A. This Ordinance shall take effect upon adoption by the Business Committee.

B. All prior ordinances regulating gaming on the Rincon Reservation, with the exception of Ordinance No. 94-11, are repealed upon effectuation of this Ordinance.

CERTIFICATION

The foregoing Rincon San Luiseño Band of Mission Indians Gaming Ordinance was INTRODUCED, PASSED AND ADOPTED by the Business Committee of the Rincon San Luiseño Band of Mission Indians at a meeting duly held on 6/22/95, 1995 by the following call vote:

Ayes: 5 Committee Members:
Noes: 0 Committee Members:
Abstain/Absent: 0 Council Members:

ATTEST:

daw@rincon.ord
DARRELL W. GENTRY,
ACTING TRIBAL SECRETARY

DATE: 6/23/95

