



FEB - 5 2007

Troy Teague, Executive Director
La Posta Band of Mission Indians Gaming Commission
8 ½ Crestwood Road, Suite B
P.O. Box 1210
Boulevard, CA 91905

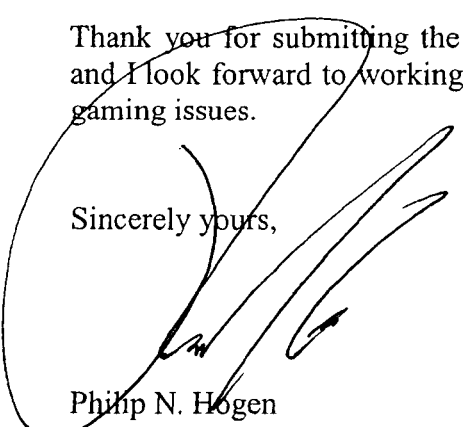
RE: Amended Gaming Ordinance

Dear Mr. Teague:

This letter is in response to your request for the National Indian Gaming Commission (NIGC) to review and approve amendments to the La Posta Band of Mission Indians' Amended Gaming Ordinance (Gaming Ordinance), Resolution No. 071701-A, approved by the Tribal Council on January 17, 2007. This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA). It is important to note that the Gaming Ordinances are approved for gaming only on Indian lands, as defined in the IGRA, over which the La Posta Band of Mission Indians has jurisdiction.

Thank you for submitting the Gaming Ordinance for review and approval. The NIGC staff and I look forward to working with you and the La Posta Band of Mission Indians on future gaming issues.

Sincerely yours,



Philip N. Hogen
Chairman

**LA POSTA
BAND OF MISSION INDIANS**

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**RESOLUTION NO. 071701-A
OF THE GENERAL COUNCIL OF THE
LA POSTA BAND OF MISSION INDIANS**

ADOPTION OF AMENDMENTS TO TRIBAL GAMING ORDINANCE

WHEREAS, the La Posta Band of Mission Indians (“La Posta Band” or “Tribe”) is a federally recognized Indian tribe with sovereign regulatory and management authority over the La Posta Indian Reservation, the Tribe and Tribal members, that acts through its General Council pursuant to Articles V and VI of the Constitution of the La Posta Band of Mission Indians adopted December 2, 2005 and approved by the Secretary of the Interior December 13, 2005; and

WHEREAS, the La Posta Band has entered a Tribal/State Gaming Compact with the State of California authorizing it to develop a Gaming Facility on the Reservation; and

WHEREAS, various provisions of the Compact, as well as the Indian Gaming Regulatory Act and its implementing regulations, require the La Posta Band to adopt laws regulating various aspects Indian Gaming within the La Posta Band’s jurisdiction; and

WHEREAS, the General Council of the La Posta Band previously adopted a Tribal Gaming Code on or about April 16, 2004, including seven subject matter titles, of which Title I addressed the above requirements and was approved by the National Indian Gaming Commission; and

WHEREAS, while the La Posta Gaming Commission was working to develop regulations to further implement certain provisions of Title I of the Tribal Gaming Code, it discovered certain inconsistencies and lack of clarity in the existing law and recommended certain modifications to the existing Title I; and

WHEREAS, the "Tribal Gaming Ordinance," prepared to address the noted inconsistencies and provide clarity where needed, was approved by the General Council of the La Posta Band of Mission Indians by Resolution No. 062709 and was thereafter submitted to the National Indian Gaming Commission for approval; and

WHEREAS, the NIGC requested certain amendments to the Tribal Gaming Ordinance to ensure compliance with the Indian Gaming Regulatory Act and its implementing regulations; and

WHEREAS, the General Council has reviewed and approves the amendments to sections 2.26, 5.4.4, 5.4.5, 5.4.6 and 7.3.3 prepared pursuant to NIGC's request and reflected on the attached redlined version of the Tribal Gaming Ordinance.

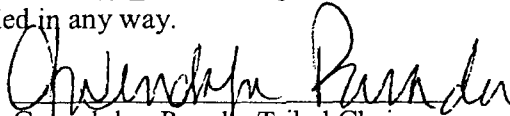
NOW, THEREFORE, BE IT RESOLVED that the General Council of the La Posta Band of Mission Indians hereby adopts the amendments to sections 2.26, 5.4.4, 5.4.5, 5.4.6 and 7.3.3 reflected on the attached redlined version of the Tribal Gaming Ordinance and directs that the Tribal Gaming Ordinance, as amended, replace the Tribal Gaming Ordinance adopted September 27, 2006, as Title I of the Tribal Gaming Code.

BE IT FURTHER RESOLVED that the General Council hereby authorizes and directs that the attached redlined version of the Amended Tribal Gaming Ordinance, along with a copy of this Resolution, be submitted immediately to the National Indian Gaming Commission, along with any additional information and/or documents required.

BE IT FINALLY RESOLVED that the remaining provisions of Title I not amended by this action of the General Council, along with Titles II through VII of the Tribal Gaming Code adopted on or about April 16, 2004, shall remain in full force and effect unless and until modified, superceded or replaced by separate action of the General Council.

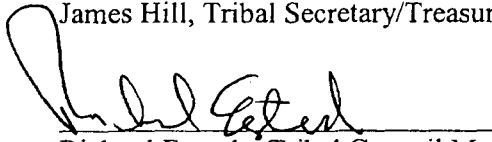
CERTIFICATION

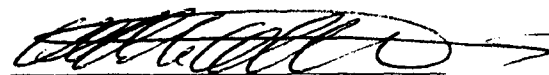
This is to certify that Resolution No 071701-A was adopted at a duly called special meeting of the General Council of the La Posta Band of Mission Indians, in San Diego County, California, on the 17th day of January, 2007, by a vote of 6 "for," 0 "against," and 0 "abstaining," and that such Resolution has not been rescinded or amended in any way.


Gwendolyn Parada, Tribal Chairperson

David La Chappa, Tribal Vice Chairperson

James Hill, Tribal Secretary/Treasurer


Richard Estrada, Tribal Council Member


Victor Estrada, Tribal Council Member

TITLE I

LA POSTA BAND OF MISSION INDIANS' TRIBAL GAMING ORDINANCE

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SECTION 1 INTRODUCTORY PROVISIONS

1.1 Authority. This Tribal Gaming Ordinance is enacted under the sovereign authority of the La Posta Band of Mission Indians, pursuant to Articles V and VI of the Constitution of the La Posta Band of Mission Indians adopted December 2, 2005 and approved by the Secretary of the Interior December 13, 2005, and in accordance with the provisions of the Indian Gaming Regulatory Act of 1998, as amended, and the Tribal/State Gaming Compact between the La Posta Band of Mission Indians and the State of California.

1.2 Purposes. The purposes of this Tribal Gaming Ordinance are to:

- 1.2.1 Encourage Tribal economic development and employment opportunities.
- 1.2.2 Ensure that all Gaming revenue is used for the benefit of the Tribe and its community.
- 1.2.3 Ensure that the operation of Tribally regulated Gaming can continue as a means of generating Tribal revenue.
- 1.2.4 Provide for the regulation, control and oversight of Gaming Operations within the jurisdiction of the Tribe.
- 1.2.5 State, declare and otherwise clarify that a License related to Gaming is a revocable privilege, not a right.
- 1.2.6 Ensure that Gaming is conducted fairly and honestly by both Licensees and Players, and that it remain free from corrupt, incompetent, unconscionable and dishonest practices.
- 1.2.7 Ensure that the Tribe provides a fair and impartial forum for the resolution of Gaming-related disputes.
- 1.2.8 Ensure that Tribal Gaming laws are strictly and fairly enforced upon Persons involved in Gaming Activity within the jurisdiction of the Tribe.

1.3 Policies

- 1.3.1 Tribal Policy of Self-Government The Tribe is firmly committed to the principle of Tribal self-government. Consistent with federal policy, Gaming revenues shall be utilized and expended by the General Council by ordinance and only for the following purposes:

- (a) To fund Tribal government operations or programs.
- (b) To provide for the general welfare of the Tribe and its members.
- (c) To promote Tribal economic development.
- (d) To donate to charitable organizations.
- (e) To preserve and protect cultural and historic resources.
- (f) To help to fund operations of local government agencies, general governmental services, the maintenance of peace and good order, the establishment of educational systems and programs, and the promotion and regulation of economic activities within the sovereign jurisdiction of the Tribe.

1.3.2 Tribal Gaming Policy The establishment, promotion and operation of Gaming is necessary, provided that such Gaming is regulated and controlled by the Tribe in accordance with the Indian Gaming Regulatory Act, the Tribal/State Compact, and such other Tribal, state and federal laws that may apply, and that the revenues of such Gaming are used exclusively for the benefit of the Tribe.

1.4 Construction. In construing the provisions of this Ordinance, unless the context otherwise requires, the following shall apply:

- 1.4.1 This Ordinance shall be liberally construed to effect its purpose and to promote substantial justice.
- 1.4.2 Words in the present tense include the future and past tenses.
- 1.4.3 Words in the singular number include the plural, and words in the plural number include the singular.
- 1.4.4 Words of the masculine gender or neuter include masculine and feminine genders and the neuter.
- 1.4.5 Ambiguities in this Ordinance are to be construed in favor of the La Posta Band.

1.5 Severability. If any section of this Ordinance is invalidated by a court of competent jurisdiction, the remaining sections shall not be affected thereby.

1.6 Effective Date. This Ordinance shall become effective upon the date of its adoption by the General Council of the La Posta Band of Mission Indians and, if applicable, approval by the National Indian Gaming Commission.

1.7 Repeal of Prior Laws; Effect. This Ordinance constitutes a restatement, with clarifications, of Title I of the La Posta Indian Reservation Gaming Code adopted April 16, 2004 by the General Council of the La Posta Band of Mission Indians.

1.7.1 All chapters and sections of Title I of the Tribal Gaming Code that are in effect as of the date that this Ordinance becomes operative are hereby repealed, and all other laws, or parts thereof, inconsistent with the provisions of this Ordinance are hereby repealed.

1.7.2 Repeal of this Ordinance, or any portion thereof, shall not have the effect of reviving any prior law of the La Posta Band theretofore repealed or suspended.

SECTION 2 DEFINITIONS

In this Ordinance, except where otherwise specifically provided or the context otherwise requires, the following terms and expressions shall have the following meanings:

- 2.1 **“Applicant”** means any Person that has applied for a License under the provisions of this Ordinance and any implementing regulations.
- 2.2 **“Application”** means a request for the issuance of a License under the provisions of this Ordinance and any implementing regulations.
- 2.3 **“Bingo”** means the game of chance commonly known as bingo (whether or not electronic, computer or other technologic aids are used in connection therewith) which is played for prizes, including monetary prizes, with cards bearing numbers or other designations, in which the holder of each card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined, and in which the game is won by the first Person covering a previously designated arrangement of numbers or designations on such cards, including (if played in the same location) pull-tabs, lotto, punch boards, tip-jars, instant bingo and other games similar to bingo.
- 2.4 **“Cash”** means any currency commonly accepted as legal tender, including but not limited to currency, traveler’s checks, credit cards, and electronic debit cards.
- 2.5 **“Casino”** means an establishment in which Gaming Activities or Enterprises are operated.
- 2.6 **“Charitable Gaming Ticket”** means any game piece used in the play of a paper pull tab game, or jar ticket game, or raffle.
- 2.7 **“Cheating”** means the operation or play of a game in any manner that violates written or commonly understood rules of the game, with the intent to create an advantage over and above the chance of the game.
- 2.8 **“Class II Gaming”** means the game of chance commonly known as bingo (whether or not electronic, computer, or other technologic aids are used in connection therewith):
- (a) played for prizes, including monetary prizes, with cards bearing numbers or other designations;

- (b) in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are shown or electronically determined;
- (c) in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards, including (if played in the same location) pull tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo; and
- (d) card games that
 - (i) are explicitly authorized by the laws of the State, or
 - (ii) are not explicitly prohibited by the laws of the State and are played at any location in the State,

but only if such card games are played in conformity with those laws and regulations (if any) of the State regarding hours or periods of operation of such card games or limitations on wagers or pot sizes in such card games.

2.9 “Class III Gaming” means those Gaming Activities as defined as Class III Gaming in under IGRA, 25 U.S.C. § 2703(8).

2.10 “Code” means the Tribal Gaming Code of the La Posta Indian Reservation, including this Tribal Gaming Ordinance and any and all other Ordinances or other Tribal laws that may be included within the Tribal Gaming Code by act of the General Council, as they now exist or may hereafter be amended.

2.11 “Compact” or “Tribal/State Compact” means the Tribal/State Gaming Compact entered between the Tribe and the State of California, and approved by the Secretary of the Interior in or about December 2003.

2.12 “Compensation” means all wages salaries, perks, bonuses and all other forms of enumeration for services rendered.

2.13 “Contract” means any legally binding agreement made between a Licensee and another Person for the purpose of conducting any form of lawful Gaming Activity, or providing goods or services to any lawful Gaming Activity or Operation.

2.14 “Council” or “General Council” means the General Council of the La Posta Band of Mission Indians, the governing body of the Tribe.

- 2.15 “Determination of Suitability”** means a formal finding by the La Posta Gaming Commission or the State Gaming Agency that an Applicant or Licensee is suitable to obtain and/or maintain a License.
- 2.16 “Employee”** means any individual employed by the Tribe who (a) operates, maintains, repairs, assists in any Gaming Activity, works in, or is in any way responsible for supervising such Gaming Activities, or conducts, operates, accounts for, or supervises any such Gaming Activity, (b) is in a category under federal or Tribal gaming law requiring licensing, (c) is employed by the Tribal Gaming Commission, or (d) has employment duties that require or authorize access to areas of the Gaming Facility that are not open to the public.
- 2.17 “Enrolled Tribal Member”** means a Person who is enrolled with the La Posta Band, and whose name appears on the tribal membership roll.
- 2.18 “Enterprise”** means the economic entity that operates games, receives revenues, issues prizes, and pays expenses. A Gaming Enterprise may be operated by the Tribe or by a Management Contractor.
- 2.19 “False Statement”** means any misstatement, misrepresentation or false statement of facts or information, including the withholding or omission of facts or information.
- 2.20 “Financial Source”** means a Person that extends financing to the Tribe pursuant to an agreement or contract, the proceeds of which are used either directly or indirectly to finance the Gaming Facility or Enterprise. Financial Sources must be licensed by the Tribal Gaming Commission in accordance with Section 5 of this Ordinance, unless exempted in accordance with section 6.4.6 of the Compact.
- 2.21 “Game of Chance”** means any game or activity that falls within the broad definition of Gaming or Gaming Activity.
- 2.22 “Gaming” or “Gaming Activity”** means any activity, operation or game of chance in which any valuable consideration may be wagered upon the outcome determined by chance, skill, speed, strength or endurance, and in which any valuable prize is awarded to the player so wagering.
- 2.23 “Gaming Device”** means a slot machine, including an electronic, electromechanical, electrical, or video device that, for consideration permits: individual play with or against that device or the participation in any electronic, electromechanical, electrical, or video system to which that device is connected; the playing of games thereon or therewith, including, but not limited to, the playing of facsimiles of games of chance or skill; the possible delivery of, or entitlement by the player to, a prize or

something of value as a result of the application of an element of chance; and a method for viewing the outcome, prize won, and other information regarding the playing of games thereon or therewith, provided however the nothing herein shall be interpreted as including Class II Gaming as defined under IGRA

- 2.24 “Gaming Employee”** means a Key Employee, Primary Management Official or other Person employed by the Gaming Enterprise that performs Gaming-related activities, including those Persons whose employment duties require or authorize access to restricted Gaming-related areas of the Gaming Facility.
- 2.25 “Gaming Employee License”** means a License issued by the Tribal Gaming Commission, pursuant to Section 5 of this Ordinance permitting a Person to be employed as a Gaming Employee.
- 2.26 “Gaming Facility”** means any place, facility, or location on Indian lands in which Gaming Activities or Gaming Operations occur, or in which the business records, receipts, or other funds of the Gaming Operation are maintained (but excluding offsite facilities primarily dedicated to storage of those records, and financial institutions), and all rooms, buildings, and areas, including hotels, ancillary businesses, parking lots and walkways, a principal purpose of which is to serve the Gaming Operation. A Gaming Facility must be licensed by the Tribal Gaming Commission in accordance with Section 5 of this Ordinance.
- 2.27 “Gaming Operation”** means the Class II or Class III gaming conducted by the Gaming Enterprise in a Gaming Facility.
- 2.28 “Gaming Vendor”** means the same as a “Gaming Resource Supplier,” as used and defined in section 2.12 of the Compact, or any Person that either directly or indirectly manufactures, distributes, supplies, vends, leases or otherwise purveys Class II Gaming or Class III Gaming resources to the Gaming Facility, provided that the Tribal Gaming Commission may interpret this definition to exclude a purveyor of equipment or furniture that is not specifically designed for, and is distributed generally for use other than in connection of Gaming. Gaming Vendors must be licensed by the Tribal Gaming Commission in accordance with Section 5 of this Ordinance.
- 2.29 “General Manager”** means the Person that has primary day-to-day management responsibilities for the Gaming Operation.
- 2.30 “Gross Revenues”** means all Gaming and non-Gaming revenues collected or received by the Tribe from a Gaming Enterprise.

- 2.31 "Immediate Family"** means a husband, wife, father, mother, son, daughter, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister, and any other individual that resides in the home or residence of a person.
- 2.32 "Indian Gaming Regulatory Act" or "IGRA"** means the Indian Gaming Regulatory Act of 1988, Public Law 100-497, 102 Stat. 2426, codified at 25 U.S.C. §§2701, *et seq.* (1988), as amended.
- 2.33 "Indian Land"** means any land within the limits of an Indian Reservation; and any land title to which is either held in trust by the United States for the benefit of any Indian tribe or individual or held by an Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.
- 2.34 "IRS"** means the U.S. Internal Revenue Service.
- 2.35 "Key Employee"** means any of the following:
- 2.35.1 A person who performs one or more of the following functions:
- (a) Bingo caller;
 - (b) Counting room supervisor and personnel;
 - (c) Chief of security, or any person who supervises or directs other employees engaged in providing security or surveillance services;
 - (d) Custodian of Gaming supplies or cash;
 - (e) Floor manager or management;
 - (f) Pit boss;
 - (g) Dealer;
 - (h) Croupier;
 - (i) Approver of credit; or
 - (j) Custodian of Gaming Devices, including persons with access to cash and accounting records within such devices;
or

- 2.35.2 If not otherwise included, any other person employed to work in or in connection with the Gaming Facility whose total cash compensation is in excess of \$50,000 per year; or
- 2.35.3 If not otherwise included, any other person who supervises or directs other employees engaged in the control of Gaming assets and revenues and record keeping, including the recording of cash and evidences in indebtedness, and the maintenance, review, or control of the records, accounts, and reports of transactions; or
- 2.35.4 If not otherwise included, the four most highly compensated persons in the Gaming Facility; or
- 2.35.5 Any Applicant or Licensee the Tribal Gaming Commission finds is important or necessary to the operation of the Gaming Facility.
- 2.36 "License"** means the official, legal and revocable permission granted by the Tribal Gaming Commission to an Applicant to conduct Gaming Activities of, or engage in Gaming-related business with, the Tribe.
- 2.37 "Licensee"** means an Employee, Key Employee, Primary Management Official, Gaming Vendor, Gaming Enterprise, Gaming Facility or Labor Union to whom the Tribal Gaming Commission has issued a License in accordance with Section 5 of this Ordinance and any applicable implementing regulations.
- 2.38 "Lotto"** means a form of Gaming in which the revenues derived from the sale of tickets or chances are pooled and those revenues or parts thereof allotted by chance to one or more chance takers or ticket purchasers. The Licensee conducting the "lottery" determines the amount of cash prizes or winnings and a progressive pool is permitted.
- 2.39 "Management Contract"** means a Contract for the management of Class II or Class III Gaming within the meaning of IGRA, including a Contract entered between the Tribe and a Gaming Vendor that authorizes the Gaming Vendor to manage any Gaming or Gaming Facility.
- 2.40 "Management Contractor"** means any Person that has entered into a Class II or Class III Gaming Management Contract or is a Gaming Vendor that is authorized to manage any Gaming or Gaming Facility, including any Person determined by the National Indian Gaming Commission to be a Management Contractor within the meaning of IGRA.
- 2.41 "National Indian Gaming Commission" or "NIGC"** means the National Indian Gaming Commission established by IGRA.

- 2.42 "Net Revenues"** means gross revenues of a Gaming Activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management fees.
- 2.43 "Participate"** means operate, direct, finance or in any way assist in the establishment or operation of any class of Gaming or any site at which such Gaming is being conducted, directly or indirectly, whether at the site, in person or off the Reservation.
- 2.44 "Person"** means any individual, partnership, joint venture, corporation, joint stock company, company, firm, association, trust, estate, club, business trust, municipal corporation, society, receiver, assignee, trustee in bankruptcy, political entity and any owner, director, officer or employee of any such entity or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, the government of the Tribe or another Indian tribe, any governmental entity of the Tribe or another Indian tribe, or any of the above listed forms of business entities that are wholly owned or operated by the Tribe or another Indian tribe.
- 2.45 "Player"** means a person participating in a game with the hope of winning money or other benefit, but does not include a Licensee or any assistant of a Licensee.
- 2.46 "Primary Management Official"** means any of the following:
- 2.46.1 Any person having management responsibility under a Management Contract; or
- 2.46.2 A person who has authority to:
- (1) Hire and fire employees, or
 - (2) To set up working policy for the Gaming Operation; or
- 2.46.3 The chief financial officer or other person that has financial management responsibility for the Gaming Operation or Enterprise.
- 2.47 "Progressive"** refers to a game in which a cash prize, not being won by any player during any game, is retained and further monetarily enhanced by the Licensee or eligible organization, and offered as a prize to players in the next game.
- 2.48 "Pull-tabs," "Punch Boards" and "Tip Jars"** refer to forms of Gaming in which preprinted cards utilizing symbols or numbers in random order which are uncovered by random choice in expectation of cash prizes if prescribed combinations of symbols and numbers are revealed.

- 2.49** **"Raffle"** means a form of Gaming in which each player buys a ticket for a chance to win a prize with the winner determined by a random method. "Raffle" does not include a slot machine.
- 2.50** **"Reservation"** means the La Posta Indian Reservation, as it now exists or may hereafter be supplemented by acquisition(s) of land by the United States in trust for the benefit of the La Posta Band of Mission Indians.
- 2.51** **"State"** means the State of California.
- 2.52** **"State Gaming Agency"** means the entity of the State established pursuant to the Gambling Control Act, Division 8 of the Business and Professions Code, Chapter 5, §§19800 *et seq.*
- 2.53** **"Tribal Gaming Commission"** means the La Posta Gaming Commission established and governed by Section 4 of this Ordinance.
- 2.54** **"Tribal Court"** means any court that may be established and operated by or on behalf of the La Posta Band of Mission Indians or, until such Tribal Court is established, the General Council of the La Posta Band of Mission Indians.
- 2.55** **"Tribe"** or **"La Posta Band"** means the La Posta Band of Mission Indians, a federally recognized Indian tribe.
- 2.56** **"Wager"** means the initial bet made in any game.

SECTION 3 GENERAL PROVISIONS REGARDING GAMING

3.1 Tribal Class II Gaming Authorized. Class II Gaming is hereby authorized to be operated on the La Posta Indian Reservation and on any other lands on which the La Posta Band may lawfully engage in Gaming in accordance with applicable provisions of IGRA, regulations promulgated by the NIGC, and Tribal law.

3.2 Tribal Class III Gaming Authorized. Class III Gaming is hereby authorized to be operated on the La Posta Indian Reservation and on any other lands on which the La Posta Band may lawfully engage in Gaming in accordance with applicable provisions of IGRA, regulations promulgated by the NIGC, the Tribal/State Compact and other applicable Tribal, state and federal law.

3.3 Tribal Ownership of Gaming Facility. The Tribe shall have the sole proprietary interest in and responsibility for the conduct of any Gaming authorized by this Ordinance. No part or share of the proceeds of any Tribal Gaming Operation shall inure to the benefit of any Person except as may be provided in a Management Contract approved in accordance with this Ordinance and IGRA. No Gaming Employee shall have any interest in the ownership or leasing of any property, Gaming Device or Facility used in any Gaming Operation.

3.4 Number and Location of Facilities

3.4.1 The Tribe may establish and operate no more than the number of Gaming Facilities authorized by the Tribal/State Compact or any amendments thereto or separate compact(s) entered between the La Posta Band and the State of California and approved in accordance with IGRA. Such facility(ies) may only be operated on those lands on which Gaming may lawfully be conducted under IGRA.

3.4.2 The Tribe may combine and operate in each Gaming Facility any forms and kinds of Gaming permitted under IGRA, the Tribal/State Compact and Tribal law.

3.5 Hours of Operation. The Gaming Facility may operate up to twenty-four (24) hours per day, seven (7) days per week, 365 days per year, subject to any limitations imposed by applicable tribal or federal law or the Compact.

3.6 Alcoholic Beverages. Alcoholic beverages may be sold and served only in full compliance with all applicable tribal, federal, state and local laws, and any license(s) or permit(s) issued thereunder.

3.7 Gaming Device Restrictions

- 3.7.1 Number of Devices. The Tribe may offer no more than Three Hundred Fifty (350) Class III Gaming Devices combined in all Facilities, except as may be authorized by any amendment to the existing Tribal/State Compact or separate compact entered between the La Posta Band and the State of California and approved in accordance with IGRA.
- 3.7.2 Transferability of Devices. Neither the Gaming Enterprise nor any other Licensee is authorized to sell, rent or lend any Gaming Device to any Person without prior written approval of the Tribal Gaming Commission in accordance with Gaming Commission Regulations.
- 3.7.3 Transportation of Devices. Transportation of a Class III Gaming Device to or from the Gaming Facility must be in accordance with section 7.4.5 of the Compact and Gaming Commission Regulations.
- 3.7.4 Technical Standards. All Gaming Devices shall comply with the technical standards adopted by the Commission.

3.8 Age Restrictions.

- 3.8.1 Subject to the following provisions, no person under the age of eighteen (18) years shall be employed by the Gaming Facility, any Management Contractor or the Tribal Gaming Commission.
- 3.8.2 No person under the age of twenty-one (21) years shall be employed in the service of alcoholic beverages at the Gaming Facility.
- 3.8.3 No person under the age of twenty-one (21) years shall be permitted in any area where alcoholic beverages are being sold.
- 3.8.4 No person under the age of twenty-one (21) years shall be permitted to place any wager, directly or indirectly, in any Gaming Activity.
- 3.8.5 No person under the age of twenty-one (21) years shall be permitted in any room or area in which Gaming is being conducted unless the person is en route to a non-Gaming area of the Gaming Facility.

3.9 Protection of Public Health and Safety and the Environment.

- 3.9.1 All Gaming Facilities shall be constructed, maintained and operated in a manner that adequately protects public health and safety and the environment, and complies with all applicable Tribal, state and federal laws.

- 3.9.2 Gaming may only be conducted in a Facility for which the Tribal Gaming Commission has issued a certificate of occupancy (or a renewal every two years after initial certification), based on a finding, after inspections by qualified building and safety experts have been undertaken, that the Facility complies with all applicable Tribal public health and safety laws.
- 3.9.3 The Enterprise shall provide adequate security to protect the public in and about each Gaming Facility.
- 3.9.4 No person shall be allowed to possess firearms in or on the premises of any Gaming Facility, with the exception state, local or Tribal security or law enforcement personnel authorized by federal, state or Tribal law to possess firearms at the Facility.

3.10 Discrimination in Employment. Subject to applicable Indian Preference laws, no Gaming Enterprise may discriminate on the basis of sex, race, color, or creed in its employment practices and, in accordance with section 6.3.2 of this Ordinance, each Enterprise shall establish employment policies and procedures that implement this provision in a manner that, except with respect to Indian Preference, is at least as stringent as federal and state anti-discrimination laws.

SECTION 4 TRIBAL GAMING COMMISSION

- 4.1 Establishment.** The General Council hereby charters, creates and establishes the La Posta Gaming Commission as a governmental subdivision of the Tribe.
- 4.2 Location and Place of Business.** The Commission shall be a resident of and maintain its headquarters, principal place of business and offices on the La Posta Indian Reservation. The Commission may, however, establish other places of business in such other locations as the Commission may from time to time determine to be in the best interest of the Tribe.
- 4.3 Duration.** The Tribal Gaming Commission shall have perpetual existence and succession in its own name, unless dissolved by the General Council pursuant to Tribal law.
- 4.4 Attributes.** As a governmental subdivision of the Tribe, the Tribal Gaming Commission is under the directive and control of the General Council, but it is the purpose and intent of the General Council that the operations of the Tribal Gaming Commission be conducted neutrally on behalf of the Tribe for the sole benefit and interests of the Tribe, its members and the residents of the Reservation in relation to Gaming.
- 4.4.1 Arm of Tribe In carrying out its purposes under this Ordinance and other applicable Tribal law, the Commission shall function as an arm of the Tribe.
- 4.4.2 Tribal Actions Notwithstanding any authority delegated to the Commission under this Ordinance or other applicable Tribal law, the General Council reserves to itself the right to bring suit against any Person in its own right, on behalf of the Tribe or on behalf of the Commission, whenever the Council deems it necessary to protect the sovereignty, rights and interests of the Tribe.
- 4.5 Recognition as a Political Subdivision of the Tribe** The General Council shall take all necessary steps to acquire recognition of the Commission as a political subdivision of the Tribe, recognized by all branches of the federal government and the various states as having been delegated the right to exercise one or more substantial governmental functions as specifically authorized under the terms and conditions of this Ordinance and other applicable Tribal law.

4.6 Sovereign Immunity of the Tribal Gaming Commission

- 4.6.1 Authority. The Commission is cloaked by federal and Tribal law with all the privileges and immunities of the Tribe, except as specifically limited by this Ordinance or other applicable law, including sovereign immunity from suit in any state, federal or tribal court.
- 4.6.2 No Waiver. Nothing in this Ordinance shall be deemed or construed to be a waiver of sovereign immunity of the Commission from suit, which may only be waived pursuant to subsection 4.7 below.
- 4.6.3 No Consent to Jurisdiction. Nothing in this Ordinance shall be deemed or construed to be a consent of the Commission to the jurisdiction of the United States or of any state or of any other tribe with regard to the business or affairs of the Commission.

4.7 Waiver of Sovereign Immunity of the Tribal Gaming Commission.

The sovereign immunity of the Commission may be waived only by express resolutions of both the Commission and the General Council after consultation with legal counsel.

- 4.7.1 Resolution Effecting Waiver. All waivers of sovereign immunity must be asserted by resolutions of continuing force and effect of the Commission and the General Council.
- 4.7.2 Policy on Waiver. Waivers of sovereign immunity are disfavored and shall be granted only when necessary to secure a substantial advantage or benefit to the Commission or the Tribe.
- 4.7.3 Limited Nature to Waiver. Waivers of sovereign immunity shall not be general but shall be specific and limited as to duration, grantee, transaction, property or funds, if any, of the Commission and shall specify the forum having jurisdiction pursuant thereto and the law applicable thereto.
- 4.7.4 Limited Effect of Waiver. Neither the power to sue and be sued, nor any express waiver of sovereign immunity by resolution of the Commission, shall be deemed a consent to the levy of any judgment, lien or attachment upon property of the Commission other than property specifically pledged or assigned, or a consent to suit in respect of any land within the exterior boundaries of the Reservation or other Indian Land, or a consent to the alienation, attachment or encumbrance of any such land.

4.8 Sovereign Immunity of the Tribe. All inherent sovereign rights of the Tribe as a federally recognized Indian tribe are hereby expressly reserved, including sovereign immunity from suit in any state, federal or tribal court. Nothing in this Ordinance or other provisions of the Tribal Gaming Code, except as may be expressly provided, nor any action of the Commission, shall be deemed or construed to be a waiver of sovereign immunity from suit of the Tribe; or to be a consent of the Tribe to the jurisdiction of the United States or of any state or any other tribe with regard to the business or affairs of the tribe; or to be a consent of the Tribe to any cause of action, case or controversy, or to the levy of any judgment, lien or attachment upon any property of the Tribe; or to be a consent to suit with respect to any land within the exterior boundaries of the Reservation or any other Indian Land, or to be a consent to the alienation, attachment or encumbrance of any such land.

4.9 Assets of the Tribal Gaming Commission. The Commission shall have only those assets specifically assigned to it by the General Council or acquired in its name by the Tribe or by it on its own behalf. No activity of the Commission, nor any indebtedness incurred by it, shall implicate or in any way involve any assets of the Tribe or Enrolled Tribal Members not assigned in writing to the Commission. Nothing in this Ordinance or any activity of the Commission shall implicate or in any way involve the credit of the Tribe.

4.10 Composition.

4.10.1 Number of Commissioners. The Commission shall be comprised of three (3) Tribal Gaming Commissioners, and one alternate Commissioner that may be appointed as provided in Sections 4.11.5 and 4.11.6 of this Ordinance.

4.10.2 Chairperson. One Commissioner, appointed as provided in Section 4.11 of this Ordinance, shall serve as the Chairperson. The Chairperson shall direct Commission meetings and be the Commission's agent for service of process.

4.10.3 Background Checks/Qualifications. Prior to the time that any Commissioner takes office, the Tribe shall perform or arrange to have performed a comprehensive background check on each prospective Commissioner, who shall meet the background requirements of a Management Contractor under IGRA. The General Council may request that the State Gaming Agency assist in the conduct of such a background investigation, or in the investigation of any possible corruption or compromise of a Commissioner. No person shall serve as a Commissioner if:

- (a) His/her prior activities, criminal record, if any, or reputation, habits or associations pose a threat to the public interest; threaten the effective regulation and control of Gaming; or enhance the dangers of unsuitable, unfair, or illegal practices, methods, or activities in the conduct of Gaming.
- (b) S/he has been convicted of or entered a plea of *nolo contendere* to a felony in any jurisdiction or to a misdemeanor involving dishonesty or moral turpitude in any jurisdiction; provided that the General Council may determine that such time has passed after such conviction or plea, or the circumstances of such conviction or plea warrant a finding, that such individual has been sufficiently rehabilitated that his/her presence on the Commission need not violate the standards set forth above; or
- (c) S/he has a direct monetary or financial interest, other than as an Enrolled Tribal Member, in the conduct of any Gaming Operation or is in privity of contract with a Management Contractor as circumscribed by Title X of the Tribal Gaming Code; or
- (4) S/he or any member of his/her Immediate Family is a Key Employee or Primary Management Official, or has any other relationship in connection with any Gaming Operation, as circumscribed by Title X of the Tribal Gaming Code, that places him or her in a conflict of interest.

4.11 Appointment of Gaming Commissioners

- 4.11.1 The General Council shall appoint three Commissioners and designate one to be the Chairperson of the Commission.
- 4.11.2 The Chairperson shall serve a term of three (3) years, and may retain the position through consecutive reappointments, at the discretion of the General Council.
- 4.11.3 One Commissioner shall be appointed for a period of two years.
- 4.11.4 One Commissioner shall be appointed for a period of one year.
- 4.11.5 The three (3) Commissioners appointed by the General Council may appoint one Alternate Commissioner, whose term shall be a period of one year.

- 4.11.6 All subsequent appointments will be for three (3) year terms, with the exception of the Alternate Commissioner, who shall remain an annual appointment at the discretion of the Commission.
- 4.11.7 There will not be a limit to the number of times a person may be reappointed as a Commissioner.
- 4.11.8 The General Council shall determine and authorize the compensation to be paid to the Commissioners based on the Commission duties, and a comparison of the Commissioner's duties and responsibilities with those of other Tribal appointive bodies.

4.12 Meetings.

- 4.12.1 Regular Meetings. The Commission shall conduct formal business at least bi-weekly on a set day of the week. Nothing in this Ordinance shall prohibit the Commission from authorizing telephonic or off-site meetings. Commission meetings may be open to invited guests or convened in closed or confidential session in accordance with Gaming Commission Regulations.
- 4.12.2 Special Meetings. Special meetings may be called at the request of the General Council, the Chairperson of the Tribal Gaming Commission or by majority vote of the Gaming Commissioners.
- 4.12.3 Quorum. A quorum for all hearings shall consist of at least three (3) Commissioners, one of which may be the Alternate Commissioner. A quorum for the conduct of other Commission business and meetings shall consist of at least two (2) Commissioners, one of which may be the Alternate.
- 4.12.4 Voting. All questions that arise or are brought to the Commission related to issues within the Commission's authority shall be decided by majority vote and subject to appeal only as provided in this Ordinance and Commission Regulations.

4.13 Removal of Commissioners; Vacancies

- 4.13.1 Removal. The General Council may remove a Commissioner from office for misconduct, neglect of duty, or act(s) that would render such person unqualified for a License pursuant to Section 5 of this Ordinance. Any removal action by the General Council shall be conducted at a duly noticed meeting, at which the Commissioner charged with misconduct shall have the right to hear and present evidence concerning his/her proposed removal.

4.13.2 Removal Final The decision of the General Council upon the removal of a Commissioner shall be final.

4.13.3 Vacancies If any Commissioner shall die, resign, be removed or for any reason be unable to serve as a Commissioner, the General Council shall declare his/her position vacant and shall appoint another person to fill the position within thirty (30) days of the vacancy. The term of office of each person appointed to fill a vacant Commission position shall be for the balance of the unexpired term for such position; provided, however, that any prospective appointee must meet the qualifications established by this Ordinance.

4.14 Conflict of Interest No Person shall serve as a Commissioner if s/he or any member of his/her Immediate Family has an ownership, partnership or other direct financial interest, other than a regular salary interest, in any Gaming Enterprise, or if s/he has any other relationship in connection with the Gaming Operation that places him/her in a conflict of interest. The Tribe shall take all reasonable steps to ensure that all Commissioners are free from corruption, undue influence, compromise, and conflicting interests in the conduct of their duties under this Ordinance and, to that end, shall promptly and uniformly enforce the Ethics and Conduct Ordinance set forth at Title X of the Tribal Gaming Code.

4.15 Powers of the Tribal Gaming Commission In furtherance, but not in limitation, of the Tribal Gaming Commission's purposes and responsibilities, and subject to any restrictions contained in this Ordinance or other applicable law, the Commission shall have, and is authorized to exercise, the following powers in addition to all powers otherwise conferred by this Ordinance:

4.15.1 To reasonably inspect and regulate all Gaming within the jurisdiction of the Tribe, provided that the Commission does not make management decisions as to the day-to-day operations of any Gaming Enterprise.

4.15.2 To make, or cause to be made by its agents or employees, an examination or investigation of the place of business, equipment, facilities, tangible personal property and the books, records, papers, vouchers, accounts, documents and financial statements of any Gaming Operation within the jurisdiction of the Tribe.

4.15.3 To investigate any reported violations of this Ordinance, any other provisions of the Tribal Gaming Code, the Compact, IGRA, Gaming Commission Regulations, or any other applicable law regarding Gaming within the jurisdiction of the Tribe. In

undertaking such investigations, the Tribal Gaming Commission may request the assistance of Tribal Gaming staff, Federal or local law enforcement officials, legal counsel, and/or other third parties.

- 4.15.4 To publish and distribute copies of this Ordinance, other provisions of the Tribal Gaming Code and Gaming Commission Regulations, and any Commission, General Council or Tribal Court decisions regarding Gaming-related matters.
- 4.15.5 To prepare and submit for General Council approval proposals, including budget and monetary proposals related to the operation of the Commission, that will enable the Tribe to better carry forth the policies and intent of this Ordinance and other provisions of the Tribal Gaming Code.
- 4.15.6 To work directly with the General Council with regard to any Gaming-related issues, including consultation and recommendations regarding changes in Tribal Gaming laws and policies.
- 4.15.7 To arrange for training of Commissioners and Commission staff in areas relating to the regulation or operation of Gaming.
- 4.15.8 To employ such advisors as it may deem necessary. Advisors may include, but are not limited to, lawyers, accountants, law enforcement specialists and Gaming professionals.
- 4.15.9 Subject to Section 4.17 below, to promulgate rules, regulations and policies to implement and further the provisions of this Ordinance and other provisions of the Tribal Gaming Code.
- 4.15.10 To accept, review, approve or disapprove any Application for a License in accordance with Section 5 of this Ordinance and applicable Gaming Commission Regulations.
- 4.15.11 To examine under oath, either orally or in writing, in hearings or otherwise, any Person with respect to any matters related to this Ordinance or other provisions of the Tribal Gaming Code, Commission Regulations, or other applicable law, and to compel by subpoena the attendance of witnesses and the production of any books, records, and papers with respect thereto.
- 4.15.12 To delegate to an individual Commissioner, employee or other Commission agent such of its functions as may be necessary to efficiently administer this Ordinance, other provisions of the Tribal Gaming Code and Gaming Commission Regulations; provided,

that the Commission may not re-delegate its power to exercise any of the substantial governmental functions of the Tribe or its power to promulgate rules and regulations; and provided further that the Commission may not delegate to any person the power to permanently revoke a License.

- 4.15.13 To issue fines and sanctions to any Gaming Facility operating in violation of any applicable law in accordance with Section 8 of this Ordinance, and report significant violations of the Compact to the General Council and the State Gaming Agency.
- 4.15.14 To sue or be sued in courts of competent jurisdiction, subject to the provisions of Sections 4.6 through 4.8 of this Ordinance; provided, however, that the Commission must obtain the prior written approval of the General Council before bringing suit.
- 4.15.15 To use the seal of the Tribe with the approval of the General Council.
- 4.15.16 To arbitrate, compromise, negotiate or settle any dispute to which it is a party or over which it has decision-making authority.
- 4.15.17 To exercise the Tribal power to tax solely for the purpose of allowing it to charge to Applicants administrative and License Application fees that are reasonably related to the costs of operating the Commission.
- 4.15.18 To purchase insurance from any stock or mutual company for any property or against any risk or hazard.
- 4.15.19 With prior approval of the General Council, to make application for and accept grants and/or other awards from private and/or governmental sources to fund activities that carry out or further the purposes of the Commission or the Tribe.
- 4.15.20 To establish and maintain such bank accounts as may be necessary or convenient.
- 4.15.21 To require the filing of any records, forms, and reports and any and all other information required by this Ordinance, other provisions of the Tribal Gaming Code, Gaming Commission Regulations, and other applicable law.
- 4.15.22 To provide for an internal system of record keeping with adequate

safeguards for preserving confidentiality as deemed necessary by the Commission for retaining records, forms and reports, in hard copy and/or electronically, for at least five (5) years.

- 4.15.23 To adopt a schedule of fees to be charged for Licenses and Applications therefor.
- 4.15.24 To adopt schedules of fees for services rendered relating to administrative hearings and appeals, transcripts and the furnishing or certifying of copies of proceedings, files, and records.
- 4.15.25 To conduct or arrange for background investigations of all Applicants in accordance with section 5 of this Ordinance.
- 4.15.26 To discipline any Licensee or Person participating in Gaming by ordering immediate compliance with this Ordinance, other provisions of the Tribal Gaming Code, Commission Regulations, and/or other applicable law, and to issue orders suspending or revoking any License in accordance with the procedures set forth in this Ordinance and applicable Gaming Commission Regulations.
- 4.15.27 To issue an order of temporary closure of a Gaming Facility in the event the Commission determines that immediate closure is necessary to protect assets or interests of the Tribe, in accordance with the procedures set forth in this Ordinance and applicable Gaming Commission Regulations.
- 4.15.28 To become self-regulating whenever the Tribe becomes eligible for a certificate of self-regulation under IGRA.
- 4.15.29 To file with the State Gaming Agency a request to be heard on any denial of a Determination of Suitability as defined by the Tribal/State Compact.
- 4.15.30 To work with the State Gaming Agency as it deems appropriate to process Licenses in accordance with the provisions of Section 6.4 and 6.5 of the Compact.
- 4.15.31 To assist Management in taking all steps necessary and appropriate to insure the physical safety of all Tribal Gaming Facilities, their licensees, patrons and employees.
- 4.15.32 To file regular reports with the General Council summarizing reports received from any Management Contractor or General Manager, and further to make such comments as it deems necessary to keep the General Council fully informed as to the

status of the Tribal Gaming Commission's activities in response to those reports.

4.15.33 To determine whether any Game of Chance is classified as Class II Gaming or Class III Gaming.

4.15.34 To fix technical standards for Gaming Devices and regulations governing Gaming Device procurement, testing, certification, operational and maintenance requirements, removal, storage and disposal.

4.15.35 To establish such departments and employ such staff as reasonably may be required to fulfill its responsibilities under this Ordinance, other provisions of the Tribal Gaming Code, and other applicable law. Compensation of Commission staff shall be limited to that which is comparable to compensation paid to persons performing similar duties in other governmental Gaming regulatory agencies.

4.16 Annual Budget. The Commission shall prepare an annual operating budget for all Commission activities and present it to the General Council for approval by December 15 of each year.

4.17 Tribal Gaming Commission Regulations, Policies and Procedures

4.17.1 The Commission shall promulgate such regulations, policies and procedures as are necessary to carry out the orderly performance of its duties and powers, including, but not limited to, the following:

- (a) Minimum Internal Control Standards ("MICS") at least as stringent as those issued by the NIGC;
- (b) Interpretation and application of this Ordinance and other provisions of the Tribal Gaming Code, as may be necessary to enforce the Commission's duties and exercise its powers;
- (c) Regulations governing the procurement, operation, maintenance, storage and disposal of Gaming Devices, technical specifications and rules of play;
- (d) Internal operations, including the establishment and functions of departments and the conduct of inspections, investigations, hearings, enforcement actions and other powers of the Commission authorized by this Ordinance;

- (e) Licensing procedures;
- (f) A regulatory system for overseeing Gaming, including accounting, contracting, operation and management, and those items identified in Section 6.3 of this Ordinance;
- (g) Internal controls and financial audits of all Gaming Operations that shall, at a minimum:
 - (1) Prescribe minimum procedures for safeguarding the gaming operation's assets and revenues, including recording of cash and evidences of indebtedness and mandatory count procedures. Such procedures shall establish a control environment, accounting system and control procedures that safeguard the assets of the organization, assure that operating transactions are properly recorded and encourage adherence to prescribed policies.
 - (2) Prescribe minimum reporting requirements to the NIGC.
 - (3) Provide for the adoption and use of internal audits by Tribal Gaming Commission auditors and Certified Public Accountants licensed to practice accounting in the State of California.
 - (4) Ensure that a uniform code of accounts and accounting classifications are formulated to assure consistency, comparability and effective disclosure of financial information. Such code shall require that records be retained that reflect statistical drop (amount of cash wagered by patrons), statistical win (amount of cash won by the gaming operation) and the percentage of statistical win to statistical drop, or provide similar information for each type of game or each gaming device.
 - (5) Provide for the maintenance of documentation (i.e., checklist, transaction forms, programs, reports, etc.) to evidence all internal work performed as it relates to the requirements of this section.
 - (6) Provide that all financial statements and supporting documentation relating to the gaming operation be maintained for a minimum of five (5) years.

- (h) Procedures for the fair and timely resolution of gaming-related disputes between patrons and management;
- (i) A procedure for the listing of persons who may be excluded or ejected from any licensed Gaming Facility. The list may include any person whose presence in the gaming establishment is determined by the Commission to pose a threat to the welfare of the Tribe, the gaming public, or to licensed gaming.

4.17.2 All initial regulations of the Tribal Gaming Commission are subject to review and approval of the General Council, documented by General Council resolution. Modifications and amendments to any Commission Regulations shall be effective upon their adoption by the Commission, but shall be noticed to the General Council, and may be vetoed or further modified in whole or in part by the General Council if such action is determined to be in the best interests of the Tribe.

4.17.3 Gaming Commission Regulations, and any amendments thereto, that require NIGC approval in accordance with 25 CFR Part 522 shall be timely submitted to NIGC for processing.

4.18 Right of Entrance; Bi-Monthly Inspection. The Commission and its duly authorized officers, employees and/or agents may reasonably enter upon the premises of any Licensee or Gaming Facility at any time for the purposes of making inspections and examining the accounts, books, papers and documents of any such Licensee or Gaming Facility.

4.18.1 Aid to Entry. The Licensee or Gaming Facility staff shall facilitate such inspection or examinations by giving every reasonable aid to the Commission and to any properly authorized Commission representative.

4.18.2 Frequency of Inspection. An authorized representative of the Commission shall visit each Gaming Facility at least once every two weeks during normal business hours for the purpose of monitoring its operation. Such visits shall be unannounced.

4.19 Investigation The Commission, or its designee, upon complaint or upon its own initiative, whenever it may deem it necessary in the performance of its duties or the exercise of its powers, may investigate and examine the operation and premises of any Licensee within its jurisdiction.

4.20 Due Process for Dispute Resolution and Enforcement Proceedings. The Commission shall ensure due process by providing notice and an

opportunity to be heard in connection with any exercise of its dispute resolution or enforcement capabilities.

4.20.1 Patron Dispute Resolution Patron disputes shall be processed in accordance with the provisions of Section 7 of this Ordinance (as to Gaming-related disputes), Title IX of the Tribal Gaming Code (in connection with patron tort claims), and Gaming Commission Regulations.

4.20.2 Enforcement Proceedings. Enforcement proceedings arising from the violation of any Gaming-related law shall be processed in accordance with the provisions of Section 8 of this Ordinance and Gaming Commission Regulations.

4.20.3 Appeals. Affected parties may have a right to appeal a Commission determination as provided in Section 7 of this Ordinance and Title IX of the Tribal Gaming Code (as to patron disputes) or Section 8 of this Ordinance (as to enforcement proceedings), and in applicable Gaming Commission Regulations.

SECTION 5 TRIBAL GAMING LICENSES

5.1 Applicability and Type.

5.1.1 Every Gaming Facility is required to have a current and valid Facility License issued by the Commission to lawfully operate within the jurisdiction of the La Posta Band.

5.1.2 Every Key Employee, Primary Management Official (including every Management Contractor) and Employee that aids or participates in Gaming within the jurisdiction of the La Posta Band is required to have a current and valid Gaming Employee License issued by the Commission.

5.1.3 Every Gaming Vendor that provides or receives, or is likely to provide or receive at least Twenty-five Thousand Dollars (\$25,000) in cash or value in any twelve (12) month period to or from a Gaming Enterprise is required to have a current and valid Vendor License issued by the Commission.

5.1.4 Every Financial Source doing business with a Gaming Enterprise within the jurisdiction of the La Posta Band is required to have a current and valid Vendor License issued by the Commission, unless such requirement is waived pursuant to the provisions of Section 6.4.6 of the Compact.

5.1.5 Every Labor Union and Representative that seeks to or does organize Gaming Employees and/or other Employees of the Gaming Enterprise and/or Commission in accordance with Title XIII of the Tribal Gaming Code is required to have a current and valid Labor Organization License issued by the Commission.

5.1.6 The Commission may require other categories of persons to be licensed, in its discretion, and may exempt certain persons or organizations from licensing requirements, subject to the requirements of the Tribal/State Compact.

5.2 License Term. No License shall be in effect for a period of longer than two years; provided, however, that all Licensees may seek to renew their Licenses for additional periods of time in accordance with Section 5.11 of this Ordinance and applicable Gaming Commission Regulations.

5.3 Facility Licenses. Each Gaming Facility authorized by the Compact and this Ordinance must be licensed by the Tribal Gaming Commission to operate lawfully within the jurisdiction of the La Posta Band.

5.3.1 A Facility License shall be issued if the following criteria are met:

- (a) The construction, expansion or modification of the Facility meets the building and safety requirements as required by Title VII of the Tribal Gaming Code.
- (b) The construction, expansion or modification of the Facility shall meet the standards of the federal American with Disabilities Act pursuant to Title IV of the Tribal Gaming Code.
- (c) The Commission has issued a certificate of occupancy that is in current force and effect in accordance with section 3.9.2 of this Ordinance.

5.3.2 The Commission shall forward each Facility License to the State Gaming Agency within ten (10) days of issuance.

5.3.3 The Facility License shall be posted in a conspicuous and public place in the Facility at all times.

5.4 General Application Procedure for All Other Licenses

5.4.1 Submission to Tribal Gaming Commission. An Applicant seeking an Employee License, a Vendor or Financial Source License, or a Labor Organization License shall submit an Application to the Tribal Gaming Commission on such form as the Commission may require.

5.4.2 Application Fees. The Commission may fix a reasonable Application fee and guidelines for the payment thereof.

5.4.3 Application Contents. In accordance with section 6.4.7 of the Tribal/State Compact, all application forms must request adequate information from the Applicant to enable the Commission to undertake the appropriate background investigation and render a determination of suitability. Specific requirements shall be set forth in Gaming Commission Regulations.

5.4.4 Privacy Act In accordance with 25 C.F.R. §556.2, all application forms must comply with the provisions of the Privacy Act of 1974 by including the following language:

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 Tribe and 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 necessary 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 investigation 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 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.

5.4.5 False Statement. In accordance with 25 C.F.R. § 556.3, all application forms must contain the following language as required by the False Statements Act:

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.

5.4.6 Fingerprints. The Commission must obtain, or cause to be obtained, fingerprints for each Applicant (or principal, if the Applicant is a business entity), in accordance with Commission procedures developed in compliance with 25 C.F.R. § 522.2(h) for use in completing background investigations. Fingerprints shall be processed for background investigation purposes in accordance with section 5.6.1 below.

5.4.7 Background Investigation. Upon receipt of a completed Application and Applicant fingerprints, the Commission must conduct or cause to be conducted a background investigation on each Applicant using the information provided on the Application, which investigation will conform to the procedures detailed in Commission Regulations and policies in accordance with 25 C.F.R. § 522.2(b) and, at a minimum, satisfy the requirements of 25 C.F.R. Parts 556 and 558.

5.5 Review Procedure and Determination of Suitability. The Tribal Gaming Commission, or its designee, shall thoroughly review and conduct a background investigation of each License Applicant sufficient to make a determination of suitability as required under IGRA, the Compact and this Ordinance.

5.5.1 The Commission's review and background investigation shall include, without limitation, the following:

- (a) contact all references;
- (b) verify all information provided in Application; and
- (c) investigate prior activities, criminal record (if any), reputation, habits and associations.

5.5.2 The Commission shall prepare, or cause to be prepared, a report of findings, including documentation of potential problem areas and disqualifying information. The report should describe the steps taken to conduct the background investigation, the results obtained, the conclusions reached and the bases for those conclusions.

5.5.3 If the Commission determines that a Person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, or otherwise fails to satisfy the criteria set forth in section 6.4.3 of the Compact, the Commission shall issue a determination that the Person is not suitable and deny the Person's Application for a License.

5.5.4 No License shall be granted to any person who:

- (a) is under the age of 18 (except as may be provided by Commission Regulation as to personnel employed by a lessee or licensee to sell food and non-alcoholic beverages outside Gaming areas within the Facility); or
- (b) has been convicted of or entered a plea of guilty or no contest to a gambling related offense, fraud or misrepresentation; or
- (c) has been convicted of or entered a plea of guilty or no contest to any offense not specified in subsection (B) within the immediately preceding five years. This provision shall not apply if that person has been pardoned by the Governor of the State where the conviction occurred or, if an Enrolled Tribal Member, is determined to be a person who is not likely again to engage in any offense or criminal course of conduct and the public good does not require that the Applicant be denied a Gaming License; or
- (d) is determined to have participated in organized crime or unlawful gambling or whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of

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 thereto.

5.6 Role of National Indian Gaming Commission in Licensing Process

- 5.6.1 The Commission shall transmit fingerprints of each Applicant to the NIGC to obtain a criminal history from the FBI. In addition, the Commission shall provide to NIGC each Application, investigative report and supporting documentation, and preliminary determination of suitability for further processing in accordance with 25 C.F.R. §§ 558.3 and 558.4. The Commission may issue a license to any Applicant otherwise determined suitable for which NIGC provides no objection within thirty (30) days of the provision of the Applicant's file to the NIGC. If NIGC identifies any objections to the licensing of the Applicant during that time period, the Commission must take such objections into account before making a final determination as to whether the Applicant should be licensed.
- 5.6.2 The Commission shall maintain each Applicant's file, including Applications, background investigation reports, and suitability determination reports, for inspection by the NIGC for no less than three (3) years from the date of denial of an Application or termination of employment, as the case may be.
- 5.6.3 If an Applicant is denied a License, the Commission shall notify NIGC and may forward to NIGC a copy of the rejected Applicant's file pursuant to 25 C.F.R. §556.5(d).

5.7 Role of State Gaming Agency in Licensing Process

- 5.7.1 Pursuant to sections 6.4.4, 6.4.5 and 6.4.6 of the Compact, each Applicant for a Gaming Employee License or a Gaming Vendor License must obtain a determination of suitability from the State Gaming Agency.
- 5.7.2 In accordance with section 6.4.4 of the Compact, no Gaming Employee may be employed if the State Gaming Agency has denied his/her application for an initial determination of suitability, or if his/her application for a renewal of such determination has been denied, or if his/her determination of suitability has expired without renewal, unless:

- (a) The person holds a valid and current License issued by the Commission;
- (b) The denial of the application by the State Gaming Agency is based solely on activities, conduct or associations that antedate the filing of the person's initial application to the State Gaming Agency for a determination of suitability;
- (c) The person is not an employee or agent of any other gaming operation; and
- (d) The person either (i) is an Enrolled Tribal Member, or (ii) has been in the continuous employ of the La Posta Band for at least three years prior to the effective date of the Compact.

5.7.3 Subject to the provisions of sections 6.4.5 and 6.4.6 of the Compact, no Gaming Vendor or Financial Source may enter or continue to perform under an agreement or contract with the La Posta Band for the provision of any Gaming Resources or financing if the State Gaming Agency has denied its application for an initial determination of suitability, or if its application for a renewal of such determination has been denied, or if its determination of suitability has expired without renewal.

5.7.4 The Commission may, in its discretion, seek to contract with the State Gaming Agency for the conduct of background investigations, may rely on state certification of non-objection previously issued under a gaming compact involving another tribe, or may rely on a state gaming license previously issued to an applicant, to fulfill some or all of the Commission's background investigation responsibilities.

5.7.5 The Commission shall ensure that a monthly report is provided to the State Gaming Agency with the name, badge identification number, and job descriptions of all Employees licensed by the Commission.

5.8 Other License Provisions

5.8.1 Gaming Employee License A Gaming Employee License issued pursuant to this section shall be effective for only the location, job and employer contained in the Application; provided, however, nothing herein shall prohibit a Primary Management Official or Key Employee from simultaneously performing the duties and responsibilities of more than one position; provided further, that the Primary Management Official or Key Employee is performing

a position that is directly in lineal descent below him/her in the organizational structure of the Enterprise and that s/he is qualified and trained to perform the duties of the positions so performed. Dealers may also be permitted to deal various card games so long as they are qualified and trained to perform the duties of the positions so performed and are specifically licensed for those positions.

5.8.2 Non-Gaming Employee License A Non-Gaming Employee License, that may be issued to Employees that are not permitted in areas of Gaming, such as cooks, kitchen staff, food servers, or hosts/hostesses, shall be effective for only the location, job and employer contained in the Application. The Commission may determine, and document through Regulation, that these Licenses do not require the same level of background scrutiny required for Gaming Licenses.

5.8.3 Part-Time or Full-Time Licenses Each Employee's License shall state clearly whether the Employee is a part-time or full-time Employee.

5.8.4 Requirement to Produce License Upon Request All Licensees must carry the License and visibly display the License during working hours and must produce the License upon the request of any person.

5.8.5 Non-Transferability. No License shall be sold, lent, assigned or otherwise transferred.

5.9 Temporary Licensing. Notwithstanding anything herein to the contrary, if an Applicant has completed a License Application, the Commission may immediately issue a temporary License, lasting no longer than ninety (90) days, if:

5.9.1 The Commission has conducted a preliminary local background investigation; and

5.9.2 Based on the preliminary investigation, the information does not indicate that the Applicant has a criminal history.

5.10 Conditional Licensing. The Commission may by regulation define circumstances under which licenses may be issued on a conditional basis.

5.11 Renewals. A Licensee may seek to renew his/her License by applying to the Commission for a renewal before the License expires. Applicants may be required to provide updated material as requested, and should also

ensure there are current determinations of suitability on file with the State Gaming Agency.

5.12 Denial, Suspension or Revocation of License

5.12.1 License Denial. Any Application for a License shall be denied if the Tribal Gaming Commission, after an adequate review, determines the Application is incomplete or deficient, or that employment of or contract with the Applicant would pose a threat to the public interest or the effective regulation of gaming, or would create or enhance the danger of unsuitable, unfair or illegal practices and methods and activities in the conduct of gaming. If the Commission has made any of the foregoing determinations about an Applicant for an Employee License, no Management Contractor or Gaming Enterprise shall employ the Applicant.

5.12.2 Suspension or Revocation The Tribal Gaming Commission may suspend or revoke a License for any of the following reasons:

- (a) The Licensee withheld pertinent information or made False Statements on the Application;
- (b) The Licensee participated in Gaming that was not authorized by any License or Tribal law, and therefore deemed illegal;
- (c) The Licensee attempted to bribe a General Council member, Commissioner or other Person, in an attempt to avoid or circumvent Tribal law;
- (d) The Licensee offered something of value to a Tribal Gaming Commission member, in violation of the Tribal Gaming Commission Ethics and Conduct Ordinance set forth at Title X of the Tribal Gaming Code;
- (e) The Licensee knowingly promoted, played or participated in any Gaming operated in violation of Tribal or federal law;
- (f) The Licensee is knowingly involved in the falsification of books or records that relate to a transaction connected with a Gaming Operation;
- (g) The Licensee violates this Ordinance, other applicable Tribal or federal law, or Gaming Commission Regulations;

- (h) The Licensee has been convicted of, or has entered a plea of *nolo contendere* to, any crime involving Gaming, fraud, theft, or embezzlement, or the sale of illegal narcotics or controlled substances;
- (i) The Licensee has refused to comply with any lawful order, inquiry or directive of the Commission, the General Council, the federal government or any court of competent jurisdiction;
- (j) The Licensee has been charged with a felony; however, a temporary suspension may be removed if the charges are subsequently dismissed.
- (k) Any other Cause the Commission deems appropriate to ensure the integrity of the Gaming Operation.

5.12.3 Procedure for Denial, Suspension or Revocation

- (a) The Commission shall by Regulation establish procedures for the denial, suspension or revocation of a license.
- (b) If the NIGC notifies the Tribe that it has received reliable information indicating that a Key Employee or Primary Management Official is not eligible for employment under 25 C.F.R. §558.2, the Commission shall suspend such person's License and serve upon such Licensee a written notice of suspension with an order to show cause why the Licensee's License should not be revoked or the Licensee should not be enjoined from conducting or participating in Gaming.
- (c) The Applicant or Licensee shall be given due process and Commission decision-making shall proceed in accordance with Gaming Commission Regulations.
- (d) The Tribe shall notify NIGC of all final decisions to suspend or revoke any License.

SECTION 6 GAMING FACILITY MANAGEMENT AND OPERATIONAL REQUIREMENTS

6.1 Management Contracts

6.1.1 Each Management Contract must be approved by the General Council to be effective. In making its decision on a proposed Management Contract, the General Council shall review the following:

- (a) Background information on the proposed Management Contractor including its name, address, the names and addresses of each Person having a direct financial interest or management responsibility for the proposed Management Contractor and, in the case of a corporation, the names and addresses of each member of its board of directors and all stockholders who hold directly or indirectly ten percent (10%) or more of its issued or outstanding stock.
- (b) A description of any previous experience that each Person listed in subsection (a) above has had with other Gaming contracts with Indian tribes or within the Gaming industry generally, including the name and address of any tribal government or licensing agency with which such Person has had a contract relating to Gaming.
- (c) A complete financial statement of each Person listed in subsection 6.1.1(a) above.

6.1.2 The General Council shall undertake any additional steps necessary and feasible to determine the character and reputation of each proposed Management Contractor.

6.1.3 If the General Council, after reviewing the above-described information, still desires to enter into a Management Contract with the proposed Management Contractor, such Management Contract shall be placed in writing and submitted to legal counsel for review before the Council approves it.

6.1.4 Any Management Contract approved by the General Council must contain, at a minimum, the following with respect to the Gaming Enterprise to which the Contract is applicable:

- (a) A provision requiring a monthly financial accounting of the Gaming Enterprise's income and expenses. An independent auditor who is mutually acceptable to the Tribe and the Management Contractor shall prepare such reports.
- (b) A provision guaranteeing the Tribe a minimum payment that shall always take precedence over the Management Contractor's right to recoup development and construction costs.
- (c) An agreed upon ceiling for the Management Contractor's development and construction costs.
- (d) A provision that the contract shall not exceed seven (7) years or 40% of Net Revenues.
- (e) A provision for termination of the contract and the grounds for termination.

6.1.5 If the General Council is satisfied with the information it receives it shall submit its proposed Management Contract along with all of the above-described information to the Tribal Gaming Commission, the State Gaming Agency, and the NIGC.

6.1.6 No Management Contractor may operate a Gaming Operation within the jurisdiction of the La Posta Band and no Tribal Management Contract will be valid without prior approval of NIGC pursuant to the provisions of 25 C.F.R. Part 533.

6.1.7 No Management Contractor may operate a Gaming Operation within the jurisdiction of the La Posta Band and no Tribal Management Contract will be valid unless the Contractor obtains and maintains a valid license from the La Posta Gaming Commission in accordance with Section 5 of this Ordinance.

6.2 General Manager

6.2.1 The Management Contractor or, if no such contractor, the Tribe shall identify in writing the identity of the person who shall serve as General Manager of the Gaming Enterprise. The proposed General Manager must undergo a background check by the Tribal Gaming Commission and obtain a License in accordance with the provisions of Section 5 of this Ordinance before commencing work.

- 6.2.2 Subject to approved policies and procedures, the General Manager shall have access to any area within the Gaming Facility except the surveillance room and storage, and other surveillance-related facilities for which access requires prior Gaming Commission authorization.
- 6.2.3 The General Manager shall present a written monthly report to the Tribal Gaming Commission that estimates the number of patrons served, the amount of income generated, the numbers of employees working at the establishment, a detailed description of any patron complaints and other problems experienced at the establishment, a written statement of any changes in Primary Management Officials, and all bills which are thirty (30) days or more past due.
- 6.2.4 The General Manager shall be responsible for ensuring that a liability insurance policy, that has been approved by the General Council, with limits of at least Five Million Dollars (\$5,000,000.00) to protect the public in the event of an accident, remains in force and effective during all periods in which the Gaming Facility is open and operational and Gaming Activity is taking place.
- 6.2.5 The General Manager shall be responsible for ensuring that Gaming Activity is managed in accordance with Tribal and federal law and that such Gaming Activity complies with all IRS reporting requirements.

6.3 Rules and Regulations Governing Operations and Management Each Enterprise shall comply with all rules and regulations or specifications adopted by the La Posta Gaming Commission governing, in addition to those specified in sections 3.7, 7.3.3 and 8.2 of this Ordinance, the following subjects:

- 6.3.1 The enforcement of all relevant laws and rules with respect to each Gaming Operation and Facility;
- 6.3.2 The establishment of employee policies and procedures to address hiring, training, conduct, and anti-discrimination;
- 6.3.3 The conduct of annual Gaming Operations audits consistent with section 6.7 below;
- 6.3.4 Maintenance of a cashier's cage in accordance with industry standards; and

6.3.5 Minimum staff and supervisory requirements for each Gaming Activity to be conducted in the Facility.

6.4 Bank Accounts. The Tribe shall open one or more separate bank account(s) for each Gaming Enterprise and receipts of all Gaming Activities operated or conducted by the Enterprise(s) shall be deposited into such account(s).

6.5 Record Keeping Accounting records of each Gaming Enterprise and Facility shall be kept on a double entry system of accounting, maintaining detailed supporting and subsidiary records. Each Enterprise shall maintain the following records, in hard copy and/or electronic form, for not less than five (5) years:

6.5.1 Revenues, expenses, assets, liabilities and equity for each location at which Class II and Class III Gaming is conducted.

6.5.2 Daily cash transactions for Gaming, including but not limited to transactions relating to each Gaming table, game drop box and game room bank.

6.5.3 All markers, IOUs, returned checks, hold checks or other similar credit instruments.

6.5.4 Individual and statistical game records to reflect statistical drop and statistical win for electronic, computer, or other technologically assisted games.

6.5.5 Contracts, correspondence and other transaction documents relating to all Gaming Vendors and Financial Sources.

6.5.6 Records of all customer complaints and Gaming-related enforcement activities.

6.5.7 All Gaming-related audits.

6.6 Annual Reports from Enterprise. Each Enterprise must file an annual report with the Commission and the General Council between the 15th and the last day of the 12th month duration of each License period. The Commission may by regulation require more frequent reporting. The report should include, at a minimum, the following information:

6.6.1 The name, address and telephone number of the Licensee;

6.6.2 The names, addresses and titles of all of its current managers;

6.6.3 A description of the Gaming operated and Gross Revenue;

- 6.6.4 The name and address of the Person who will be designated as Primary Management Official and Key Employees over the next License term;
- 6.6.5 Written proof that the Licensee has paid all fees required by applicable law;
- 6.6.6 A sworn statement that it has complied with all requirements of the IRS, including written notice of customer winning;
- 6.6.7 The number of full-time equivalent people, on an annualized basis, employed by the Gaming Operation during the past twelve (12) months, together with a projection of the number of full-time equivalent people who are expected to be employed during the next License period;
- 6.6.8 A sworn statement that the Licensee will continue to comply with all applicable Gaming-related laws;
- 6.6.9 The name, address and signature of the agent who will accept service of process on behalf of the Enterprise; and
- 6.6.10 If the Licensee is a corporation, a copy of any amendment to its articles of incorporation, properly certified by the incorporating government, unless a current copy has already been filed with the Commission.

6.7 Audit Requirements

- 6.7.1 Each Enterprise must retain an independent auditor to conduct an annual audit of all Gaming Operations.
- 6.7.2 All Gaming-related contracts that result in the purchase of supplies, services, or concessions in excess of \$25,000 annually, except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit.
- 6.7.3 Copies of each audit must be provided to the Tribal Gaming Commission, the General Council, the State Gaming Agency and the NIGC.

SECTION 7 PATRON DISPUTES

7.1 General Principles. The Tribe values its customers and intends, at all times, to see that questions, concerns, issues, and/or disputes raised by the Gaming public are addressed in a fair and orderly manner.

7.2 Tort Claims. Patron tort claims for personal injury or property damage or loss shall be processed in accordance with section 10.2(d) of the Compact, the provisions of Title IX of the Tribal Gaming Code and such Gaming Commission Regulations as may be promulgated to implement those provisions.

7.3 Gaming-Related Disputes.

7.3.1 Members of the Gaming public who, in the course of their otherwise lawful and proper use of the Tribe's Gaming Facilities, have questions or concerns about the operation of any Gaming Activity, or who believe themselves to be aggrieved by some aspect of the condition or operation of any Game of Chance, shall direct their questions, concerns, or disputes (hereinafter collectively "Gaming-Related Disputes") in the first instance to Gaming Facility management.

7.3.2 Gaming-Related Disputes must be raised as soon as reasonably possible after the events giving rise to the dispute occur; however, no dispute may be raised more than seven (7) calendar days after said events take place.

7.3.3 The Gaming Commission shall promulgate regulations governing the processing of Gaming-Related Disputes that provides for Gaming Facility management and/or the Commission to expediently and informally gather sufficient facts to make a determination about the dispute and provide the complainant with notice and an opportunity to be heard before a final decision is rendered. At a minimum, the regulations shall provide the following:

(a) that every patron with a potential gaming-related dispute be given information regarding the process for resolving such dispute;

(b) that steps be taken to preserve any surveillance video and other evidence related to each such dispute;

(c) that management make a good faith effort to negotiate a resolution of each dispute;

(d) that disputes not resolved by negotiation between the patron and management be referred to the Gaming Commission for further investigation and processing, including provision of a preliminary written decision to the patron and an opportunity for the patron to be heard before the Commission prior to the issuance of a final decision.

SECTION 8 SECURITY AND ENFORCEMENT

8.1 Jurisdiction. The Tribal Gaming Commission shall have primary responsibility for enforcing all Gaming-related laws, and the Commission, the General Council, and the Tribal Court, if any, shall have jurisdiction over all violations of such laws, except as otherwise provided in IGRA, the Compact, this Ordinance, or other provisions of the Tribal Gaming Code.

8.2 Security. Gaming Management shall have primary responsibility for establishing and maintaining adequate security in and about each Gaming Facility and shall develop such policies and procedures as are necessary to ensure compliance with security-related Gaming Commission Regulations adopted in accordance with section 8.1 of the Tribal/State Compact, including, but not limited to, the following:

- 8.2.1** Ensuring the physical safety of Facility patrons and Employees;
- 8.2.2** The physical safeguarding of assets transported to, within, and from each Gaming Facility;
- 8.2.3** The prevention of illegal activity from occurring within any Gaming Facility, including employee procedures and surveillance;
- 8.2.4** The recording of occurrences that deviate from normal operating policies including, at a minimum, the specific procedures for reporting incidents set forth in section 8.1.5 of the Compact.
- 8.2.5** The establishment of procedures designed to permit detection of any irregularities, theft, cheating, fraud, and the like.
- 8.2.6** Maintenance of a list of persons barred from each Gaming Facility.

8.3 Surveillance. To assist in maintaining the security of each Gaming Facility, the Tribal Gaming Commission shall establish and maintain a surveillance department with primary control over such surveillance devices as may be located in and around each Facility and the records generated thereby. Security and Surveillance Department personnel shall work in a cooperative and coordinated fashion to maximize the effectiveness of security at each Facility.

8.4 Prohibited Acts In addition to civil and criminal offenses defined by other Tribal, state or federal law, the following acts are prohibited by any Person and subject any violator to the processes and penalties specified

herein:

- 8.4.1 Participating in any Gaming not authorized by this Ordinance.
- 8.4.2 Knowingly making a False Statement in connection with any License Application or Contract to participate in any Gaming Activity.
- 8.4.3 Attempting to bribe any Person participating in any Gaming Activity.
- 8.4.4 Offering or accepting a loan, financing or other thing of value between a Commissioner or Employee and any Person participating in any Gaming Activity.
- 8.4.5 Promoting or participating in any illegal Gaming Activity.
- 8.4.6 Failing to keep sufficient books and records to substantiate receipts, disbursements and expenses incurred or paid from any Gaming Activity authorized pursuant to this Ordinance.
- 8.4.7 Falsifying any books or records that relate to any transaction connected with any Gaming Activity pursuant to this Ordinance.
- 8.4.8 Conducting or participating in any Gaming Activity that results in Cheating.
- 8.4.9 Allowing participation in Gaming Activity by or with an intoxicated and disorderly Player.
- 8.4.10 Allowing or participating in the sale of liquor when or where such sale is prohibited by applicable law.
- 8.4.11 Accepting consideration other than money, tokens or chips for participation in any Gaming Activity.
- 8.4.12 Using bogus or counterfeit chips or Charitable Gaming Tickets, or substituting or using any cards, Charitable Gaming Tickets or Gaming equipment that has been marked or tampered with.
- 8.4.13 Employing or possessing any Cheating device or facilitating Cheating in any Gaming Activity.
- 8.4.14 Willfully using any fraudulent scheme or technique to change the odds of any Game of Chance.

- 8.4.15 Soliciting, directly or indirectly, or using inside information on the nature or status of any Gaming Activity for the benefit of an individual.
 - 8.4.16 Tampering with a Gaming Device, attempting to conspire to manipulate the outcome or the payoff of a Gaming Device, or otherwise unlawfully tampering with or interfering with the proper functioning of the machine.
 - 8.4.17 Altering or counterfeiting a License.
 - 8.4.18 Aiding, abetting, or conspiring with another Person knowingly, or knowingly causing another Person, to violate any Gaming-related law.
 - 8.4.19 Operating, using or making available to the public any illegal Gaming Device, apparatus, material or equipment.
 - 8.4.20 Selling, holding out for sale or transporting into or out of the jurisdiction of the Tribe any illegal Gaming Device, apparatus, material or equipment.
 - 8.4.21 Assisting or allowing a Person who is under the age of twenty-one (21) to participate in a Gaming Activity.
 - 8.4.22 Possessing any illegal narcotics or controlled substances in or about the premises of any licensed Gaming Facility.
 - 8.4.23 Stealing or attempting to steal funds or other items of value from any Gaming Facility or from the Tribal Gaming Commission.
 - 8.4.24 Employing any Person at a licensed Gaming Facility whom the Licensee knows has been convicted of a Gaming-related crime or a crime of fraud.
 - 8.4.25 Any other act defined by Gaming Commission Regulation as an offense.
- 8.5 **Civil Violation.** Any Person who violates or fails to comply with any provision of this Ordinance, other provision of the Tribal Gaming Code, or Gaming Commission Regulation, or who fails or neglects to comply with any final order of the Tribal Gaming Commission, General Council or Tribal Court, may be subject to civil penalties of not more than Five Thousand Dollars (\$5,000.00) per violation and/or forfeiture of privileges, and may be required to take corrective action. Alleged violators shall be afforded notice and an opportunity to be heard, in accordance with Gaming

Commission Regulations, before the Commission makes a final determination as to the occurrence of a violation and the imposition of sanctions. Nothing in this section precludes the Gaming Commission from adopting Regulations authorizing interim suspension of a Gaming Commission license for good cause prior to a hearing and final disposition of a matter involving an alleged violation by a licensee.

- 8.6 Purpose of Civil Penalties** The civil fines authorized by this Ordinance are intended to be remedial and not punitive and are designed to compensate the Tribe for the damage done to the peace, security, economy and general welfare of the Tribe and the Reservation, and to compensate the Tribe for costs incurred in enforcing this Ordinance and other provisions of Tribal law. The civil fines that may be imposed under this Ordinance are also intended to encourage all People to comply with all Gaming-related laws, and not as punishment for violation of such laws.
- 8.7 Cumulative Fines** Civil fines imposed by the Commission may be cumulative and an action for the recovery of one fine shall not bar or affect the recovery of any other fine, or judgment, penalty, forfeiture or damages, nor bar the power of the Commission, the General Council or the Tribal Court to punish for contempt, nor bar any criminal prosecution against any officer, director, agent, or employee of any Licensee, or any other Person.
- 8.8 Seizure and Forfeiture of Property.** Property utilized in the commission of any violation of this Ordinance or other Gaming-related law may be subject to seizure and forfeiture by order of the Commission pursuant to such procedures and rules as the Commission may promulgate.
- 8.9 Criminal Violation** Any Indian who violates or fails to comply with any provision of this Ordinance, other provisions of the Tribal Gaming Code, or Gaming Commission Regulations, or who fails or neglects to comply with any order or decision of the Tribal Gaming Commission, General Council or Tribal Court may be subject to criminal prosecution under such Tribal criminal laws as may be promulgated to effectuate this provision. Any Person suspected of committing a violation of State penal law may be turned over to County law enforcement personnel for prosecution under the laws of the State of California.
- 8.10 Reporting of Offenders** The Tribal Gaming Commission shall report the names of all Persons found to have violated any Gaming-related law, along with the nature of the violation, to the General Council, State Gaming Agency and NIGC.

SECTION 9 SERVICE OF PROCESS

9.1 The La Posta Band's designated agent for service of process is as follows:

Chairperson
La Posta Band of Mission Indians
8 Crestwood Road
La Posta Indian Reservation
Post Office Box 1120
Boulevard, California 91905
Phone: (619) 478-2113
Fax: (619) 478-2125