

**NATIONAL
INDIAN
GAMING
COMMISSION**

MAY 12 2000

Honorable Jose Simon, III, Chairman
Lake Miwok Indian Nation
of the Middletown Rancheria
P.O. Box 1539
Middletown, California 95461

Dear Chairman Simon:

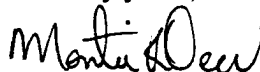
This letter responds to your request to review and approve the amendment to the Lake Miwok Indian Nation of the Middletown Rancheria's (Rancheria) gaming ordinance submitted and received in our office on March 12, 2000. The amendment to the ordinance was adopted by the Tribal Council on May 11, 2000, in accordance with Resolution No. 2000-05-01. The original ordinance was approved by the Chairman of the National Indian Gaming Commission (NIGC) on May 15, 1995. This letter constitutes approval under the Indian Gaming Regulatory Act (IGRA). Such approval does not constitute approval of specific games. It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA, over which the Rancheria exercises jurisdiction.

Under the IGRA and the regulations of the NIGC, the Chairman is directed to review ordinances and amendments with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations.

You indicated the Rancheria Tribal Gaming Commission shall create and implement a comprehensive Minimum Internal Control Standards (MICS) on behalf of the Rancheria. Please note that the Rancheria must promulgate tribal MICS that are at least as stringent as the NIGC MICS found at 25 C.F.R. Part 542. In addition, the gaming operation must establish and implement an internal control system that is consistent with the tribal MICS.

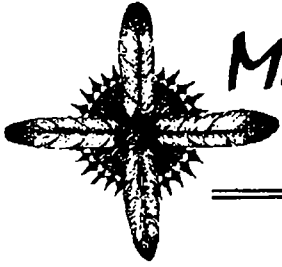
Thank you for submitting the amendments to the tribal gaming ordinance of the Lake Miwok Indian Nation of the Middletown Rancheria. The NIGC staff and I look forward to working with you and the Rancheria in implementing the IGRA. If you have questions or require further assistance, please contact Ms. Frances Fragua at 202/632-7003.

Sincerely yours,



Montie R. Deer
Chairman

Enclosure



Middletown Rancheria

(707) 987-3670
FAX: (707) 987-9091
22223 Highway 29 at Rancheria Road
P. O. Box 1035 • Middletown, CA 95461

RESOLUTION NO. 2000-05-01

JOSE SIMON III, Chairman
PAMELA REYES, Vice-Chairperson
LUYA RIVERA, Secretary
ANGIE GALUPE-BRIONES, Treasurer
HASKOLA RIVERA, Representative

WHEREAS, the Middletown Rancheria (Tribe) is a Federally Recognized California Indian Tribe recognized by the Secretary of the Interior with a Government to Government relationship with the United States Government with the members of its General Council as its governing body; and

WHEREAS, on February 12, 2000 at a Special General Council Meeting, called for the purpose of approval of the Middletown Rancheria Amended Tribal Gaming Ordinance, the General Council of the Middletown Rancheria voted to approve the Middletown Rancheria Amended Tribal Gaming Ordinance with a vote of 11 FOR, 0 AGAINST AND 0 ABSTAIN.

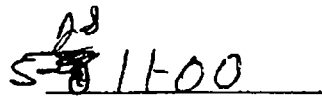
NOW THEREFORE BE IT RESOLVED, that the General Council of the Middletown Rancheria through the Tribal Council and the Tribal Gaming Commission authorizes the Tribal Chairman to execute a resolution on behalf of the Middletown Rancheria.

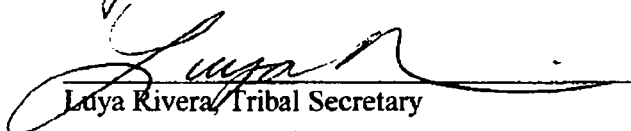
CERTIFICATION

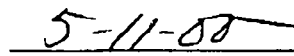
This is to certify that the foregoing Resolution No. 2000-05-01 was duly adopted by the Middletown Rancheria Tribal Council at a meeting held on Thursday, May 11, 2000 at which time a quorum was present, by a vote of 3 for, 0 against and 0 abstain.

ATTESTED TO BY:


Jose Simon III, Tribal Chairperson


Date

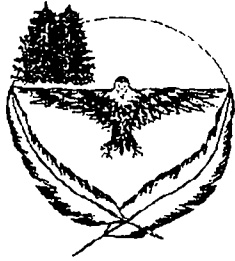

Luya Rivera, Tribal Secretary


Date



MIDDLETOWN RANCHERIA

TRIBAL GAMING ORDINANCE



Methods of Approval

I. Tribal Gaming Commission:

February 12, 2000 the Middletown Rancheria Tribal Gaming Ordinance was prepared and submitted, for review, by the Middletown Rancheria General Council, at a duly called General Council Meeting.

II. Tribal Council:

The Middletown Rancheria Tribal Council called for a Special Meeting of the General Council to approve or deny Middletown Rancheria Amended Tribal Gaming Ordinance on Saturday, February 12, 2000.

III. General Council:

On February 12, 2000, at a Special Meeting called for the purpose of approval or denial of the Middletown Rancheria Amended Tribal Gaming Ordinance the following occurred:

Motion made:

__ 11 __ For __ 0 __ Against __ 0 __ Abstain

Motion Passes.

IV. Tribal Gaming Commission:

Implemented the approved Middletown Rancheria Tribal Gaming Ordinance, on February 12, 2000.

V. National Indian Gaming Commission:

The Tribal Gaming Commission has on February 14, 2000, forwarded a copy of the newly approved Middletown Rancheria Tribal Gaming Ordinance to the National Indian Gaming Commission.



Middletown Rancheria Tribal Gaming Ordinance

Section I. Short Title

This Amended Tribal Gaming Ordinance may be cited as the "Middletown Rancheria Tribal Gaming Ordinance".

Section II. Purpose

The Middletown Rancheria Lake Miwok/Band of Pomo Indians, as beneficial owner of the Middletown Rancheria, and acting through its General Council in the exercise of its inherent sovereign power to enact ordinances and otherwise safeguard and provide for the health, safety, and welfare of the Middletown Rancheria and the members of the Middletown Rancheria Lake Miwok/Band of Pomo Indians, hereby ordains and establishes this Ordinance for the purpose of authorizing and comprehensively and preemptively regulating the terms and conditions under which Class II and Class III gaming may be conducted within the boundaries of the Middletown Rancheria.

Section III. Gaming Authorized

- A. Class II gaming as defined in the Indian Gaming Regulatory Act, PL 100-447, 25 U.S.C. Section 2703(7)(A) ("IGRA"), and by regulations lawfully promulgated by the National Indian Gaming Commission ("NIGC") that now or hereafter may be in effect is hereby authorized.
- B. Class III gaming as defined in IGRA, 25 U.S.C. Section 2703(8) and by regulations promulgated by the NIGC that now or hereafter may be in effect is hereby authorized; provided, however, that such gaming is also authorized by and consistent with a Tribal-State Compact that has been approved by the Secretary of the Interior and is in effect, or otherwise has been authorized by the Secretary of the Interior or federal law and is in effect.
- C. Traditional Indian Games as defined by the Middletown Rancheria Lake Miwok/Pomo Indians General Council.



- D. If the Middletown Rancheria elects to allow individually owned gaming operations it shall authorize such operations in accordance with the requirements set forth in 25 CFR Section 522.10 and 522.11.

Section IV. Ownership of Gaming Facilities and/or Enterprises

The Middletown Rancheria shall have the sole proprietary interest in and responsibility for the conduct of any gaming facilities and/or enterprise (s) authorized by this Ordinance.

- A. All gaming operations of Tribal Lands shall be conducted by the Middletown Rancheria or its management contractors only.
- B. All gaming activities provided for by this Ordinance within the lands of the Middletown Rancheria shall be conducted in conformance with the requirements of the Ordinance, the Indian Gaming Regulatory Act, 102 Stat. 2467, 25 U.S.C. Section 2701, et sea, as implemented by the regulations promulgated by the National Indian Gaming Commission, and the provisions of any Tribal-State, compact governing Class III gaming on the Middletown Rancheria Tribal Lands.
- C. Tribal Lands means all lands within the limits of the Middletown Rancheria and; Lands in which the Middletown Rancheria exercise governmental power and that is either held in trust by the United States for the benefit of the Middletown Rancheria or lands held by the Middletown Rancheria which are subject to restriction against alienation imposed by the United States.

Section V. Use of Gaming Revenue

- A. Except as specifically authorized pursuant to subsection B of this section, net revenues from Class II and Class III gaming on the Middletown Rancheria shall be used only for the following purposes:
1. Funding of Middletown Rancheria Tribal Government operations and programs;



2. Providing for the general welfare of the Middletown Rancheria Tribal Members and its members;
 3. Promoting Middletown Rancheria's economic development;
 4. Donating to charitable organizations; or
 5. Assisting with funding the operations of local government agencies.
- B. If the Middletown Rancheria's General Council elects to make per capita payments to Middletown Rancheria Tribal members, it shall authorize such payments only in conformity with a plan submitted to and approved by the Secretary of the Interior pursuant to 25 U.S.C. Section 2710 (b)(3).

Section VI. Audit

- A. The Middletown Rancheria Tribal Council shall cause to be conducted at least annually an independent audit of all gaming operations. The Tribal Council shall direct and instruct the Tribal Gaming Commission to research and investigate potential external auditors. Upon the completion of all research and investigation, the Tribal Gaming Commission shall hire a competent and reputable external auditor to conduct an annual independent audit of all gaming operations. The resulting audit reports shall be distributed to the Tribal Council, General Council, and the National Indian Gaming Commission. The resulting audit reports may be submitted to other agencies as may be required by the terms and conditions of any Class III compact or other document authorizing Class III gaming on the Middletown Rancheria. The Management of the Gaming Facility will receive a copy of the Independent Audit with a cover letter from the Tribal Gaming Commission stating a deadline date to conform to the necessary changes recommended by the external auditor.
- B. All gaming-related contracts that result in the purchase of supplies, services, or concessions except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit that is described in Subsection A above.
- C. The Gaming Facility shall keep permanent books of account or records, including inventory records of gaming supplies, sufficient to establish the amount of gross and net income, deductions and expenses, receipts and disbursements, and other information required in any financial statement,



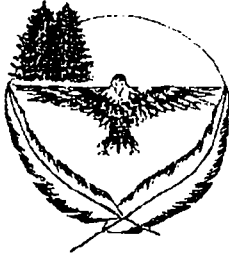
report or other accounting prepared pursuant to the Act or Chapter III in Title 25 C.F.R.

- D. No later than the fifteenth (15th) day of each month, each gaming operator shall provide, in a report form prescribed by the Middletown Rancheria Tribal Gaming Commission, a statement of gross revenues, assessable gross revenue and net revenues received or collected at each gaming establishment during the immediate preceding month.
- E. All papers, books, and records including computer records of the gaming operation relating to licensed gaming activities shall be subject to inspection, examination, photocopying, and auditing by the Middletown Rancheria Tribal Gaming Commission and the NIGC's authorized representatives at any time during reasonable hours. All such papers books and records shall be retained not less than seven (7) years.

Section VII. Protection of the Environment and Public Health and Safety

Class II and Class III gaming facilities on the Middletown Rancheria shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety. National Standard Building Codes may be used to assure a facility is constructed and maintained in a manner, which compliments the protection of the environment and public health and safety. The Middletown Rancheria Tribal Council shall have the primary responsibility for assessing the environmental impact of all construction and gaming operations through the development of an Environmental Protection Act Program, and shall take such measures as it determines may be reasonably necessary to mitigate any adverse environmental impacts identified.

- A. The Management of the Tribal Gaming Enterprise must submit current structural plans of the Gaming Facility, noting location of Video Machines, Card Tables, and Promotional display areas. If the Management decides to alter the current layout of the floor plan, the plans must be presented to the Tribal Gaming Commission for review and approval prior to any alterations including but not limited to moving of machines, adding on rooms, or entertaining various promotional displays.



Section VIII. Licenses for Key Employees and Primary Mgmt Officials

The Middletown Rancheria Tribal Gaming Commissioners or its designated gaming regulatory employees shall ensure that the policies and procedures set out in this section are implemented with respect to key employees and primary management officials employed at any Class II and/or Class III gaming enterprise operated on Indian lands within the boundaries of the Middletown Rancheria.

A. Definitions

For the purpose of this section, the following definitions apply:

Key employee means

- (a) A person who performs one or more of the following functions:
 - (1) Bingo Caller;
 - (2) Count Room Supervisor
 - (3) Director of Security
 - (4) Cashiers
 - (5) Floor Manager
 - (6) Pit Boss
 - (7) Dealer
 - (8) Drop Team Members
 - (9) Video Technicians
 - (10) Croupier
 - (11) Approver of credit
 - (12) Custodian of gaming supplies or cash
 - (13) Custodian of gambling devices including persons with access to cash and accounting records within such devices.
- (b) If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or
- (c) If not otherwise included, the four most highly compensated persons in the gaming operation.

B. Primary Management Official means

- (a) The person having management responsibility for a management contract;
- (b) Any person who has authority
 - (1) To hire and fire employees; or
 - (2) To set up working policy for the gaming operation; or



- (c) The Chief Financial Officer, or other person who has financial management responsibility.

B1. Application Forms

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

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. Section 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by the National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to members of Middletown Rancheria Tribal Council and Middletown Rancheria Tribal Gaming Commission, as well as appropriate Federal, State, Local or foreign law enforcement and regulatory agencies when relevant to civil, criminal, or regulatory investigations or prosecutions. Further, the information may be disclosed to another Federally Recognized American Indian Tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee or the issuance or revocation of a gaming license. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to hire you in a primary management official or key employee position.

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

- B2. Existing key employees and primary management officials shall be notified in writing that they shall either:**

- (a) Complete a new application form that contains a Privacy Act notice; or
(b) Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.



- B3. The following notice shall be placed on the application form for a key employee or a primary official before that form is filled out by an applicant:

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment. (18 U.S.C. Section 1001).

- B4. The Middletown Rancheria Tribal Gaming Commissioners shall notify in writing existing key employees and primary management officials that they shall either:
- (a) Complete a new application form that contains a notice regarding false statements; or
 - (b) Sign a statement that contains the notice regarding false statements.

C. Background Investigations

- C1. The Middletown Rancheria Tribal Gaming Commission shall request from each primary management official and from each key employee all of the following information:
- (a) Full name, other names used (oral or written), Social Security number(s), birth date, place of birth, citizenship, gender, all languages spoken or written;
 - (b) Currently and for the previous five years: all business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;
 - (c) The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence listed under paragraph (1)(b) of this Subsection;
 - (d) Current business and residence telephone numbers;
 - (e) A description of any existing and previous business relationships with the Middletown Rancheria or any other Indian Tribe, including ownership interests in those businesses;



- (f) A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
- (g) The name and address of every licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming whether or not such license or permit was granted;
- (h) For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition if any;
- (i) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations) within ten years of the date of the application, the name and address of the court involved and the date and disposition;
- (j) For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within ten years of the date of the application and is not otherwise listed pursuant to the paragraph (1) (h) or (1) (i) of this Subsection, the criminal charge, the name and address of the court involved and the date and disposition;
- (k) The name and address of each licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
- (l) A current photograph;
- (m) Any other information the Middletown Rancheria Tribal Gaming Commission may deem relevant under the circumstances; and
- (n) Fingerprints of the applicant to be taken by the Middletown Rancheria Tribal Gaming Commission for a criminal history check. A criminal history check will include a check of criminal history records information maintained by the Federal Bureau of Investigation in accordance with 25 C.F.R. Section 522.2(h).

C2. The Middletown Rancheria Tribal Gaming Commission shall conduct an investigation sufficient to make a determination under Subsection D. below. In conducting a background investigation, the Middletown Rancheria shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

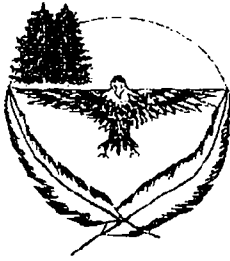


D. Eligibility Determination

The Middletown Rancheria Tribal Gaming Commission shall review an applicant's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in a gaming operation. If the Middletown Rancheria Tribal Gaming Commission determines that employment of the 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, the gaming operation shall not employ that person in a key employee or primary management official position.

D1. The Middletown Rancheria Tribal Gaming Commission may issue or renew a gaming license to an applicant who submits a proper and completed application and pays the appropriate annual license fee, provided that the Tribal Gaming Commission determines that the applicant:

- (a) Is not a minor;
- (b) is a person of good character, honest and integrity;
- (c) has no prior activities, criminal record, reputation, habits, and associations which pose a threat to the public interest or the interest of the Middletown Rancheria 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 in if the business and financial arrangements incidental to the conduct of gaming;
- (d) has not supplied false and/or misleading information or who has not omitted material information required under this Ordinance, the Act, and 25 C.F.R. Chapter III;
- (e) has not had, or is not in privity with anyone who has had, a gaming license revoked for cause in any jurisdiction since the effective date of the Act;
- (f) has complied with this Ordinance or any resolution adopted by the Middletown Rancheria Tribal Gaming Commission;
- (g) does not occupy a competing position in the employ of another Tribe within a five hundred (500) mile radius of any Tribal Gaming Operation; and



(h) does not violate any of the requirements set forth in 25 U.S.C. Section 2711 (a) and (e),

- D2. The Tribal Gaming Commission shall make the final decision as to whether a gaming license shall be issued, suspended or revoked.
- D3. Until authorized by a Tribal-State Compact, no gaming license shall be issued by the Middletown Rancheria Tribal Gaming Commission for Class III gaming.

E. National Indian Gaming Commission Reports and Applications

- E1. When a key employee or primary management official begins work at a gaming operation authorized by this ordinance, the Middletown Rancheria Tribal Gaming Commission shall forward to the National Indian Gaming Commission a completed application for employment and conduct the background investigation and make the determination referred to in Subsection D of this Section.
- E2. The Middletown Rancheria Tribal Gaming Commission shall forward the report referred to in Subsection F of this Section to the National Indian Gaming Commission within days after an employee begins work or within 60 days of the approval of this Ordinance by the Chairperson of the National Indian Gaming Commission.
- E3. The gaming operation shall not employ as a key employee or primary management official a person who does not have a license after 90 days.

F. Investigative Report

- F1. Pursuant to the procedures set out in Subsection E of this section, the Middletown Rancheria Tribal Gaming Commission shall prepare and forward to the National Indian Gaming Commission an investigative report on each background investigation. An investigative report shall include all of the following:
- (a) Steps taken in conducting the background investigation;
 - (b) Results obtained
 - (c) Conclusions reached; and



(d) The basis for those conclusions.

- F2. The Middletown Rancheria Tribal Gaming Commission shall submit, with the report, a copy of the eligibility determination made under Subsection D of this Section.
- F3. If a license is not issued to an applicant, the Middletown Rancheria Tribal Gaming Commission:
- (a) Shall notify the National Indian Gaming Commission; and
 - (b) May forward copies of its eligibility determination and investigative report (if any) to the National Indian Gaming Commission for inclusion in the Indian Gaming Individuals Records System.
- F4. With respect to key employees and primary management officials, the Middletown Rancheria Tribal Gaming Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairperson of the National Indian Gaming Commission or his or her designee for no less than three (3) years from the date of termination or denial of employment.

G. Granting a Temporary Gaming License

- G1. When the Gaming Facility proposes to hire a new employee the Gaming Facility shall submit applications of proposed employees with the designated fees to the Tribal Gaming Commission.
- G2. The Tribal Gaming Commission shall run a preliminary Background investigation on prospective employees. If the preliminary investigation is satisfactory, the Tribal Gaming Commission shall inform the Gaming Facility.
- G3. The Gaming Facility shall then have the prospective employee submit to a drug test, and provided that the results are satisfactory, the prospective employee shall set a time to meet with the Tribal Gaming Commission.



- G4. Once the prospective employee sets a time for meeting with the Gaming Commission, the Tribal Gaming Commission may then issue a Temporary Gaming License.
- G5. If the preliminary background investigation is not satisfactory, the Tribal Gaming Commission may elect not to issue a Temporary Gaming License. If this is done, the prospective employee will be denied the issuance of a Temporary Gaming License.
- G6. The Tribal Gaming Commission has a two to four week period in which to issue a Temporary Gaming License.

H. Withdrawal of Temporary Gaming License Issuance

- H1. If, during any stage of the background investigation, the Tribal Gaming Commission finds that an employee is unsuitable for a gaming license, a Temporary Gaming License previously issued may be withdrawn.
- H2. Written notice that a Temporary Gaming License has been withdrawn shall be provided to the employee and the General Manager of the Gaming Facility by the Tribal Gaming Commission.
- H3. A decision by the Tribal Gaming Commission to withdraw a Temporary Gaming License will be final unless investigative information is proved to be inaccurate by the applicant.

I. Granting a Gaming License

- I1. If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the Middletown Rancheria Tribal Gaming Commission that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the Middletown Rancheria Tribal Gaming Commission has provided an application and investigative report to the National Indian Gaming Commission, the Middletown Rancheria Tribal Gaming Commission may issue a license to such an applicant.



12. The Middletown Rancheria Tribal Gaming Commission shall respond to a request for additional information from the Chairperson of the National Indian Gaming Commission concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30-day period under Subsection G.1 of this Section until the Chairperson of the National Indian Gaming Commission receives the additional information.
13. If, within the thirty (30) day period described above, the National Indian Gaming Commission provides the Middletown Rancheria Tribal Gaming Commission with a statement itemizing its objection(s) to the issuance of a license to a key employee or to a primary management official for whom the Middletown Rancheria has provided an application and investigative report to the National Indian Gaming Commission, the Middletown Rancheria Tribal Gaming Commission shall reconsider the application, taking into account the objection(s) itemized by the National Indian Gaming Commission. The Middletown Rancheria Tribal Gaming Commission shall make the final decision whether to issue a license to such an applicant.

J. License Suspension

- J1. If, after the issuance of a gaming license, the Middletown Rancheria Tribal Gaming Commission receives from the National Indian Gaming Commission reliable information indicating that a key employee or a primary management official is not eligible for employment under Subsection D above, the Middletown Rancheria Tribal Gaming Commission shall suspend such license and shall notify in writing the licensee of the suspension and the proposed revocation.
- J2. The Middletown Rancheria Tribal Gaming Commission shall notify the licensee of a time and a place for a hearing on the proposed revocation of a license.
- J3. After a revocation hearing, the Middletown Rancheria Tribal Gaming Commission shall decide whether to revoke or to reinstate a gaming license. The Middletown Rancheria Tribal Gaming



Commission shall notify the National Indian Gaming Commission of its decision.

K. Gaming License Fees

- K1. All fees for Gaming Licenses shall be set at the discretion of the Tribal Gaming Commission. The Tribal Gaming Commission reserves the right to change Gaming License fees at any time for any License type or class. If the cost of an investigation exceeds the License fee established, the Tribal Gaming Commission also reserves the right to request payment of any of the additional expense incurred. All applicants must promptly comply with any requests from the Tribal Gaming Commission to provide a deposit sufficient to cover the estimated cost of the background investigation and processing.

L. Classes and Types of Licenses Issued

- L1. Employee Licenses
- (a) Class A: Key Gaming Employee License
 - (b) Class B: Non-Gaming Employee License
 - (c) Class C: Primary Management
- L2. Vendor Permit License
- (a) Class A: Businesses
 - (b) Class B: Principals
 - (c) Class C: Consultants

IX. Vendor License Permits/Contracts/Agreements

The Tribal Gaming Commission shall review prospective Vendor backgrounds and contracts/agreements before issuing a Vendor License Permit or approving a contract between Middletown and the prospective vendor. A Vendor must have a Vendor License Permit and an approved contract from the Tribal Gaming

Commission before commencing work on Middletown Rancheria. Eligibility Determination shall be as defined in Section XIII. (D).



Any vendor or prospective Vendor that has or wishes to provide services or goods must complete an application for a Vendor License Permit and submit the application and required fees to the Tribal Gaming Commission in accordance with the policies and procedures of the Tribal Gaming Commission.

X. Licensing of Gaming Places, Facilities and Locations

A separate license shall be required for each place, facility, or location on Indian Lands where Class II and/or Class III gaming is to be conducted on the Middletown Rancheria.

XI Creation of the Middletown Rancheria Tribal Gaming Commission

A. There is hereby created the Middletown Rancheria Tribal Gaming Commission, which shall consist of three Middletown Rancheria General Council Members who would themselves qualify for licensing under this Ordinance.

A1. Qualifications:

- (1) High School Diploma, GED, or equivalent.
- (2) Must have knowledge of Gaming Industry and willing to train for this position.
- (3) Written and oral communication skills.
- (4) Willing to travel and be available for training.
- (5) Professional attire is a requirement.
- (6) Must have the ability to work with staff, Federal, State, and Local agencies.
- (7) Must be available during Casino working hours.
- (8) Must be able to pass a drug test.

A2. The members of the Middletown Rancheria Tribal Gaming Commission shall be selected by secret ballot by the General Council. The process shall be as follows:

- (1) **March General Council Meeting:**
The Tribal Council shall announce to the General Council that nominations for the Tribal Gaming Commissioners shall



be entertained from the floor at the April General Council Meeting.

- (2) **April General Council Meeting:**
Nominations for the Tribal Gaming Commissioner positions shall be entertained from the floor of the General Council. All persons so nominated who accept said nomination shall complete the necessary forms for licensure required of a primary management official no later than June 20.
- (3) **May General Council Meeting:**
The names of all persons nominated to serve as a Tribal Gaming Commissioner at the April General Council meeting who have passed the initial background investigation shall be placed on a ballot. The Tribal Council shall oversee the preparation of ballots and the conduct of the secret ballot election. The ballot shall list the name of each eligible candidate and specifically state that any ballot with more than three votes shall not be counted. Once all ballots have been accepted, the Tribal Council shall count the ballots in the presence of the General Council. The three individuals who receive the most votes shall serve as the Tribe's Gaming Commissioners; provided, however, that each individual must be found licensable by the Gaming Commission then in office. In the event that any person is denied a license, then the person who received the fourth highest votes shall serve as a Gaming Commissioner provided that person is found licensable. The newly appointed Tribal Gaming Commissioners shall take office as soon as practicable given the licensure requirements, but under no circumstances later than June 30. Each Tribal Gaming Commissioner so elected shall serve a three-year term and remain in office until his/her successor is elected and licensed.

B. Removal of a Gaming Commissioner

A Tribal Gaming Commissioner shall not be removed during his/her term of office except for misconduct, neglect of duties or other acts that would render such persons unqualified for licensure hereunder. A petition signed by at least 30% of the General Council Membership must be submitted to the Tribal Council to remove a Tribal Gaming Commissioner. Upon receipt of such a petition, the Tribal Council shall call a special



meeting within 15 days to conduct a hearing of the petition. Notice of such meeting shall be hand delivered to the Gaming Commission(s) to whom the petition is directed. At the Special Meeting, the Tribal Council shall read the petition aloud. Each Tribal Gaming Commissioner to whom the petition is directed shall have a minimum of 15 minutes to respond to the petition and present evidence on his/her behalf. Thereafter, the Tribal Council, at its sole discretion, may permit comments from the floor. If such discussion is permitted, it shall be no longer than sixty (60) minutes. The Tribal Council shall request that a motion be made, the substance of which is either a recommendation that the petition be accepted or that it be denied. If a motion to accept the petition passes, the Tribal Council shall request that a motion be made recommending that the affected Tribal Gaming Commissioner be immediately relieved of his/her duties, or that he/she be permitted to continue to perform his/her duties pending the decision of the Tribal Council on the petition. Following these motions, the Tribal Council shall close the Special Meeting. Within the next five working days, the Tribal Council shall meet to resolve the petition. At all such meetings, four of the five Tribal Council members must be present. When a vote is taken on the question of removing the Gaming Commissioner(s), at least three Tribal Council members must vote to terminate the affected Gaming Commissioner(s). The Tribal Council shall issue written notice of its decision to the General Council and the petitioned Tribal Gaming Commissioner(s). The decision of the Tribal Council shall be final. The Middletown Rancheria Tribal Council is free to receive in special session any evidence public disclosure of which might compromise any on-going law-enforcement investigation, or which might jeopardize any privilege or immunity possessed by the Middletown Rancheria Tribal Council. If a Tribal Gaming Commissioner has been removed from office for misconduct, neglect of duties or other acts that would render such persons unqualified for licensure hereunder, he or she may not run for office for a two year period, beginning the date of removal from office. There shall be a Chairperson of the Middletown Rancheria Tribal Gaming Commission, to be decided amongst the newly appointed Tribal Gaming Commissioners, by a majority consent. All Tribal Gaming Commissioners shall serve an office term of three years. The Tribal Council shall determine and authorize the compensation to be paid to members of the Middletown Rancheria Tribal Gaming Commission.



C. Authority of the Middletown Rancheria Tribal Gaming Commission

The Middletown Rancheria Tribal Gaming Commission shall be authorized and hereby is directed to promulgate, subject to review and approval by the Tribal Council, detailed and comprehensive regulations. Said regulations shall describe and establish the rules for each specific Class II and Class III gaming activity that may be conducted on the Middletown Rancheria without prior approval by the Middletown Rancheria Tribal Gaming Commission. Pending approval of the Middletown Rancheria Tribal Gaming Commission Regulations by the Middletown Rancheria Tribal Council, an interim regulations that the Middletown Rancheria may adopt shall govern gaming on the Middletown Rancheria. The Middletown Rancheria Tribal Gaming Commission shall create and implement a comprehensive Minimum Internal Control Standards on behalf of the Middletown Rancheria.

C1. The Middletown Rancheria Tribal Gaming Commission shall have the power and responsibility to;

- (a) enforce and administer the provisions of this Ordinance'
- (b) issue and renew gaming licenses as provided in this Ordinance and in any regulation which may be promulgated by the Middletown Rancheria Tribal Gaming Commission;
- (c) revoke, suspend, or condition a gaming license or deny an application for a license for violation of applicable law or Ordinance regulating gaming, or conviction of any offense involving a gaming related crime or moral turpitude;
- (d) collect fees and interest as provided for in this Ordinance;
- (e) assess and collect penalties provided for in this Ordinance;
- (f) adjust the respective amounts of the annual license fees, provided that such fees shall not be increased retroactively;
- (g) audit or cause to be audited expenditures, receipts and reports of licensee responsible for managing a Tribal Gaming Facility;
- (h) review on demand, such books and records and inspect the premises and operation of licensees as deems necessary for the enforcement of this Ordinance;
- (i) supervise, operate and maintain gaming observation systems in coordination with Tribal Police/Casino Security Department;
- (j) draw up such forms as it deems necessary;



- (k) institute such legal proceedings in the name of the Middletown Rancheria in a court of competent jurisdiction as it deems necessary for the enforcement of this Ordinance;
 - (l) conduct hearings provided for in this Ordinance;
 - (m) deposit all fees, penalties, and interest collected under authority of this Ordinance into an account to the credit of the Tribe;
 - (n) maintain a correct and full accounting of all fees, penalties, and interest received under authority of this Ordinance, and provide a monthly record of that accounting; and
 - (o) take such other actions and issue such orders and promulgate such regulations as the Middletown Rancheria Tribal Gaming Commission may deem necessary to properly and fully perform its duties and responsibilities under this Ordinance.
- D. The Middletown Rancheria Tribal Gaming Commission, acting wholly independent from the Tribal Council, is hereby designated as Middletown's regulatory agency with full authority to monitor compliance with this Ordinance and its Regulations, and to investigate and act to prevent any violation (s) thereof.
- E. Subject to its appropriation of funds therefor, the Middletown Rancheria Tribal Gaming Commission shall be authorized to employ such staff, as it deems necessary to fulfill its responsibilities under this Ordinance. Compensation of commission employees shall be limited to that which is comparable to compensation paid to person performing similar duties in other governmental gaming regulatory agencies.
- F. In Accordance With Federal Regulation, it shall be noted that a division of the Tribal Gaming Commission and the Gaming Facility must occur. The Tribal Council upon receipt of a budget from the Tribal Gaming Commission shall notify the General Manager of the Gaming Facility that they must allocate said dollar amount for the Regulation Agency of the Middletown Rancheria. The Tribal Council at a Tribal Council Meeting shall approve the Tribal Gaming Commissioner budget. All five Tribal Council members must be present with at least three Tribal Council members approving the budget. The allocated funds are utilized to open a checking account with three check signers: (2) Tribal Gaming Commissioners and (1) Tribal Council Member. Any additional funding will be deposited directly into the Tribal Gaming Commissioner Account.



This will allow the Tribal Council access to the allocated funds at all times. The Gaming Facility will break down the allocated funds into quarterly payments to be made on January 1; April 1; July 1; and October 1. The allocated funds are to be used at the discretion of the Tribal Gaming Commission, in accordance with an approved budget. The allocated funds are to be used for all departments of the Tribal Gaming Commission. Note the Tribal Gaming Commission shall submit to the Tribal Council a quarterly report of expenditures.

- G. The Middletown Rancheria Tribal Gaming Commission is hereby authorized to establish and impose upon gaming facilities, permitted, applicants, and licensees such application, permit and license fees as may be necessary to fully reimburse the Middletown Rancheria Gaming Commission for its actual cost of operating the Middletown Rancheria Tribal Gaming Commission. All such fees shall be collected by the Middletown Rancheria Tribal Gaming Commission and hereby are continuously appropriated solely for the purposes enumerated in this Subsection.
- H. Failure to timely pay any gaming-related fee within ten (10) business days imposed by the Middletown Rancheria Gaming Commission, or to comply with any Commission regulation or order, or any other violation of this Ordinance or the terms of any Class III gaming compact authorizing and regulating gaming on the Middletown Rancheria, shall be grounds for suspension or revocation of any license or permit issued pursuant to this Ordinance, exclusion of any non-member of the Middletown Rancheria from the Middletown Rancheria, and imposition of such other sanctions as the Middletown Rancheria Tribal Gaming Commission may deem appropriate.

XII Gaming Observation Systems

- A. The Middletown Rancheria Tribal Gaming Commission shall install operates and maintains adequate observation systems to assure the security of the gaming operations.
- B. The Middletown Rancheria Tribal Gaming Commission shall provide adequate staff of observation personnel to maintain 24-hour observation in coordination with the Tribal Police/Casino Security Department.



- C. The Middletown Rancheria Tribal Gaming Commission Observation Staff will meet NIGC security clearances and will be required to have completed adequate investigative training commensurate with their responsibilities.
- D. The Observation Staff are employed by and directly supervised by the Middletown Rancheria Tribal Gaming Commission, but will work cooperatively with Tribal Police/Casino Security Department.

XIII Violations

- A. No person shall operate or conduct any gaming activity in a Gaming Facility within the boundaries of Tribal Lands without a gaming license issued by the Middletown Rancheria Tribal Gaming Commission as required by this Ordinance.
- B. No person shall knowingly submit false or misleading information to the NIGC or the Tribe in response to any provision of the IGRA, Chapter III in Title 25 C.F.R. or a Tribal Ordinance or resolution that the Chairman has approved under parts 522 or 523 in Title 25 C.F.R.
 - (a) No management contract shall fail to account fully for all moneys received or collected in connection with gaming activities or to file any report required by the management contract.
 - (b) A Gaming Facility shall not refuse to allow an authorized representative of the NIGC or an authorized Tribal Official to enter or inspect a Gaming Facility in violation of 25 C.F.R. Section 571 or Section 571.6 or of a Tribal Ordinance or resolution approved by the Chairman under parts 522 in Title 25 C.F.R.
- C. No person under the age of eighteen (18) years shall be employed by a Gaming Facility or shall otherwise be permitted to participate in any gaming activities.
- D. No person shall engage in cheating, operating or playing in a game in a manner in violation of the written or commonly understood rules of the game, with the intent to create for himself/herself or someone in privity with him/her an advantage over and above the chance of the game, in any



gaming activity or engage in any fraudulent conduct affecting either the Tribe or a customer of a gaming operation.

- E. No person, other than an officer or the Lake County Sheriff's Department of Law Enforcement or the Tribal Police Department, may enter or remain in a gaming establishment licensed under this Ordinance while in the possession of a firearm or other weapon.
- F. Any person who is in privity with a person who violates this Ordinance shall be deemed to be in violation of the Ordinance to the same extent as the violator, and shall be treated accordingly.
- G. No person, whether playing in or conducting any gaming activity authorized under this Ordinance, shall:
 - (1) use bogus or counterfeit cards, or substitute or use any game cards that have been tampered with;
 - (2) employ or have on one's person any cheating device to facilitate cheating in any gaming activity; or
 - (3) knowingly cause, aid, abet, or conspire with another person or cause any person to violate any provision of this Ordinance or any rule adopted under this Ordinance.
- H. A Gaming Facility shall be constructed, maintained, and operated in a manner that does not threaten the environment or the public health and safety.
- I. Alcohol, which is not for sale by the licensee to customers, and/or controlled substances are not to be brought into the Gaming Facility.
- J. If Management fails to correct violations within the time permitted in a notice of violation issued by the National Indian Gaming Commission or within fifteen (15) calendar days after the Middletown Rancheria Tribal Gaming Commission provides notice of a violation, such failure shall be deemed as a further violation by the Management.



XIV Notice of Violation

The Middletown Rancheria Tribal Gaming Commission may issue a notice of violation to any person for violation of any provision of this Ordinance.

- A. A notice of violation shall contain:
- (1) a citation to the Ordinance provision that has been or is being violated;
 - (2) a description of the circumstances surrounding the violation, set forth in common and concise language;
 - (3) measures required to correct the violation;
 - (4) a statement that the violation must be corrected within five (5) calendar days from the date the notice was issued;
 - (5) a statement of the alleged violator's rights of appeal; and
 - (6) the amount of civil fines that the alleged violator must pay pursuant to Section XV.

XV Civil Fines

- A. In issuing a notice of violation under this Ordinance the Tribal Gaming Commission may;
- (1) impose a civil fine not to exceed Five Hundred (\$500.00) Dollars for each violation and, if such violation is a continuing one, for each day, that the violation occurs; and/or
 - (2) impose a penalty of One Hundred (\$100.00) Dollars per day for failure to submit to the Middletown Rancheria Tribal Gaming Commission any report required under this Ordinance when it is due, and One Thousand (\$1,000.00) Dollars per day for failure to file any such report after three-day notice and demand.
- B. The Middletown Rancheria Tribal Gaming Commission shall review each notice of violation to determine whether a civil fine will be assessed, the amount of the fine and, in the case of a continuing violation, whether such daily violation will be deemed a separate violation for purposes of the total civil find assessed.



- (1) Within five (5) calendar days after service of a notice of violation, the alleged violator shall submit written information about the violation and any corrective measures undertaken to the Middletown Rancheria Tribal Gaming Commission. The Middletown Rancheria Tribal Gaming Commission shall consider any information so submitted in determining the facts surrounding the violation and the amount of the civil fine;
 - (2) The Middletown Rancheria Tribal Gaming Commission shall serve a copy of the proposed assessment on the alleged violator within ten (10) calendar days after the notice of violation was issued, when practicable; and
 - (3) The Middletown Rancheria Tribal Gaming Commission may review and reassess any civil fine if necessary to consider facts that were not reasonably available on the date of issuance of the proposed assessment.
- C. If the alleged violator fails to request a hearing as provided in this Ordinance, the proposed civil fine assessment shall become a final order of the Middletown Rancheria Tribal Gaming Commission.
- (1) civil fines assessed under this Section shall be paid by the person assessed and shall not be treated as an operating expense of the Gaming Facility; and
 - (2) the Middletown Rancheria Tribal Gaming Commission shall transfer civil fines paid under this Ordinance to the Middletown Rancheria Tribal Council Treasurer of behalf of the Middletown Rancheria for deposit.

XVI Enforcement

- A. The Middletown Rancheria shall take any one or a combination of the following actions with respect to any person who violates any provision of this Ordinance:
- (a) suspend or revoke any gaming license issued by the Middletown Rancheria Tribal Gaming Commission.
 - (b) Bring an action in a court of competent jurisdiction for imposition of one or more of the following sanctions;



- (c) Seizure of any gaming apparatus, proceeds, or other property of a licensee connected with the gaming activities engaged in by the licensee;
 - (d) Collection of any unpaid fees, interest, penalties, and of any civil fines unpaid after thirty (30) calendar days; or
 - (e) Execution on any nonexempt property of a violator located within the exterior boundaries of the Middletown Rancheria.
- B. Civil actions may be brought by the Middletown Rancheria Tribal Gaming Commission pursuant to this Ordinance in any court of competent jurisdiction to enforce the imposition of any and all sanctions provided for under this Ordinance.
- C. Before taking any action authorized in Section XIV and XV of this Ordinance, the Middletown Rancheria Tribal Gaming Commission shall use its best efforts to notify the alleged violator, in person or by letter delivered to his/her last known address, of the charges against him/her, and allow the alleged violator an opportunity for a prompt hearing. If the alleged violator fails to respond, or cannot be found, the Middletown Rancheria Tribal Gaming Commission may proceed with a hearing notwithstanding, and take such action as it deems appropriate. Said notice of the alleged violation shall be served at least three (3) business days prior to the hearing.
- D. Every person who applies for a gaming license and accepts such license thereby acknowledges the civil enforcement jurisdiction and authority of the Middletown Rancheria Tribal Gaming Commission under this Ordinance to order an execution on his/her further conduct of gaming activities and the seizure of his/her gaming equipment or proceeds or other property, upon a proper finding of the Middletown Rancheria Tribal Gaming Commission or the court that the person has violated a provision of this Ordinance, despite lack of actual notice, provided that the Middletown Rancheria Tribal Gaming Commission has used its best efforts to notify the person, in person or by letter delivered to his/her last known address.

XVII Hearings and Appeals

- A. This Section provides procedures for appeals to the Middletown Rancheria Tribal Gaming Commission regarding:



- (1) a violation alleged in a notice of violation; and
 - (2) civil fines assessed by the Middletown Rancheria Tribal Gaming Commission in this Ordinance.
- B. The Middletown Rancheria Tribal Gaming Commission shall hold a hearing on the proposed revocation of a gaming license held by a primary management official or key employee after it has suspended such license pursuant to 25 CFR Section 558.5. The licensee shall be notified by the Middletown Rancheria Tribal Gaming Commission of the time and place for hearing. After the hearing, the Middletown Rancheria Tribal Gaming Commission shall decide to revoke or reinstate the gaming license. The Middletown Rancheria Tribal Gaming Commission shall notify the National Indian Gaming Commission of its decision.
- C. Any licensee paying a civil fine or penalty for any violation enumerated in this Ordinance because of excusable neglect may petition the Middletown Rancheria Tribal Gaming Commission for partial or full waiver of suit, fine or penalty. The petition shall be filed within thirty (30) business days after the payment was made.
- D. Any person aggrieved by a decision made or action taken by the Middletown Rancheria Tribal Gaming Commission without notice and opportunity for hearing to the aggrieved person, may petition the Middletown Rancheria Tribal Gaming Commission for a hearing and reconsideration. The petition shall be filed within thirty (30) business days after the petitioner knew or should have known of the decision or action. The Middletown Rancheria Tribal Gaming Commission shall grant a prompt hearing upon receiving such a petition, and shall reconsider its decision or action, affirm, modify, reverse and/or vacate the Middletown Rancheria Tribal Gaming Commission's order in light of what is presented at a hearing.

XVIII Service

- A. The Middletown Rancheria shall designate by written notification to the National Indian Gaming Commission an agent for service of any official determination, order, or notice of violation.



XIX Ejection from Gaming Facility

Notice of warning regarding the improper conduct set out in Section XIII of this Ordinance or other Gaming Facility rules established and enforced by the Gaming Facility shall be posted at the entrance of each Gaming Facility and/or given to the customer upon entering the premises.

- A. The following improper conduct shall result in ejection of a customer from any Gaming Facility:
- (1) cheating;
 - (2) possession of weapons in the Gaming Facility;
 - (3) possession of alcohol that has been brought by a customer into the Gaming Facility;
 - (4) possession of a controlled substance in the Gaming Facility;
 - (5) disorderly conduct, including the willful or wanton disregard for the rights of others; and
 - (6) any other acts which is disruptive to the Gaming Facility.
- B. Failure by a customer to provide proof of age when requested by Gaming Facility personnel shall result in ejection of the customer from the premises but admission fees (if any) shall be refunded.
- C. Ejection of a customer shall be accomplished by the Tribal Police/Casino Security Department in cooperation with the Lake County Sheriff's Department of Law Enforcement if necessary, upon request of the Gaming Facility.
- D. Either the Employee Manager or Management Contractor of the Gaming Facility or an alternate designated by either shall be present at all times to resolve complaints by customers involving the operation of bingo and other Class II games at the establishment.
- E. If the Employee Manager or Management Contractor or their alternates are unable to resolve any dispute, as provided in (D) the matter may, upon request of the customer, be referred to the Middletown Rancheria Tribal Gaming Commission for resolution. Action by the Middletown Rancheria Tribal Gaming Commission may be initiated by making a written request to the Legal Department of the Middletown Rancheria. The decision of the Middletown Rancheria Tribal Gaming Commission on any dispute so referred to it for resolution shall be final.



XX Applicable Law

A. All controversies involving contracts relating to the Gaming entered into under the authority of the Middletown Rancheria Tribal Gaming Commission on Tribal lands shall be resolved, as appropriate, in accordance with:

- (1) the laws of the Middletown Rancheria;
- (2) the Indian Gaming Regulatory Act;
- (3) National Indian Gaming Regulations
- (4) State Regulation

XXI Savings Provision

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provisions or application, and to this end, the provisions of this Ordinance are severable.

XII Amendments

The Middletown Rancheria General Council is hereby delegated the authority to amend this Ordinance in any manner deemed appropriate by said Tribal Gaming Commission to protect the best interests of the Middletown Rancheria; provided, however, that the Middletown Rancheria General Council shall have no authority to enact any amendment to this Ordinance that is less restrictive of federal law or would be inconsistent with the terms of an approved Tribal-State Class III compact that is in effect.

XIII Repeal

Upon approval of this Ordinance by the Secretary of Interior, all other gaming ordinances previously enacted or amended by the Middletown Rancheria General Council or Tribal Council are hereby repealed.



CERTIFICATION

This is to certify that the foregoing Ordinance was adopted on February 12, 2000 at a Special Meeting of the Middletown Rancheria General Council, called for the purpose of the Tribal Gaming Ordinance, at which a quorum was present, by a vote of 11 in Favor, 0 opposed and 0 abstaining.

Dated: 02 / 15 / 00

Signed: *[Signature]*
Tribal Secretary

[Signature]
Tribal Chairperson



CERTIFICATION

This is to certify that the foregoing Ordinance was adopted on February 12, 2000 at a Special Meeting of the Middletown Rancheria General Council, called for the purpose of the Tribal Gaming Ordinance, at which a quorum was present, by a vote of 11 in Favor, 0 opposed and 0 abstaining.

Dated: 02 / 15 / 00

Signed: _____
Tribal Secretary

Tribal Chairperson