

**NATIONAL  
INDIAN  
GAMING  
COMMISSION**

APR 18 2000

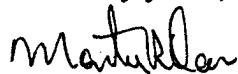
Honorable Robert Smith  
Chairman, Pala Band of Mission Indians  
P.O. Box 50  
Pala, California 92059-0050

Dear Chairman Smith:

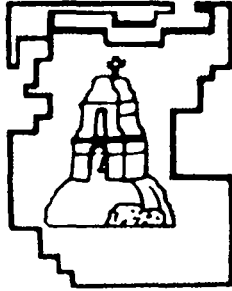
This letter responds to the Pala Band of Mission Indians (Band) February 14, 1999, submission of the Pala Gaming Authority Ordinance, adopted by Resolution 99-39 on October 20, 1999. This letter constitutes approval under the Indian Gaming Regulatory Act (IGRA). It is important to note that the gaming ordinance is approved for gaming only on Indian lands, as defined in the IGRA, over which the Band exercises jurisdiction.

Thank you for submitting the Pala Band of Mission Indians Gaming Authority Ordinance for review. If you have any questions or require further assistance, please contact Ms. Frances Fragua at 202/632-7003.

Sincerely yours,



Montie R. Deer  
Chairman



**Pala Band of  
Mission Indians**

P.O. Box 50  
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(760) 742-3784  
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FEB 14 2000

**RESOLUTION 99-39**

**Tribal Gaming Authority Ordinance**

**WHEREAS, the Pala Band of Mission Indians is a federally recognized Indian Tribe (the "Tribe"); and**

**WHEREAS, the Tribe is governed by Articles of Association approved by the Commissioner of Indian Affairs which establish a General Council and an Executive Committee; and**

**WHEREAS, pursuant to Article 3 of the Tribe's Articles of Association, the General Council is the governing body of the Tribe; and**

**WHEREAS, Article 6 of the Articles of Association, among other powers, provides the General Council with the power to negotiate and enter into contracts on behalf of the Tribe and to delegate this power to the Tribe's Executive Committee; and**

**WHEREAS, the General Council on September 22, 1999, delegated to the Executive Committee the authority to negotiate and enter into binding and enforceable agreements which will facilitate the development, financing, management and operation of the Tribe's gaming facility with Anchor Gaming, Anchor Pala Management LLC, and Anchor Pala Development LLC; and**

**WHEREAS, the Executive Committee executed a Management Agreement and Development Services and Financing Agreement ("Agreements") on behalf of the Tribe on September 23, 1999; and**

**WHEREAS, the Development Services and Financing Agreement calls for the establishment of a Pala Gaming Authority, a tribal entity which may assume on behalf of the Tribe all obligations, responsibilities and duties of the Tribe under these Agreements if necessary for financing purposes; and**

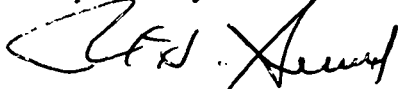
**WHEREAS, the General Council has reviewed the terms of the attached Pala Gaming Authority Ordinance, understands its terms, and recognizes that assignment to the Gaming Authority may be necessary in order to obtain the financing necessary to develop and build the Tribe's gaming facility.**

**NOW THEREFORE BE IT RESOLVED, that the General Council hereby approves the attached Tribal Gaming Authority Ordinance to become effective if the Executive Committee determines that it is necessary for financing purposes and assigns the Development Services and Financing Agreement and Management Agreement executed on September 23, 1999, to the Gaming Authority.**

FEB 14 1999

CERTIFICATION

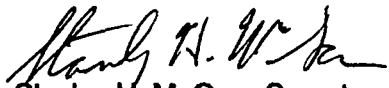
This is to certify the above Pala Gaming Authority Ordinance, Resolution 99-39 was adopted by the General Council at a duly called meeting of that Body held on October 20, 1999, at which a quorum was present by a vote of 19 in favor, 0 opposed.



Robert H. Smith, Chairman



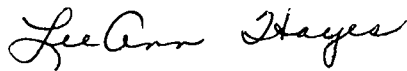
King Freeman, Vice-Chairman



Stanley H. McGarr, Secretary



Juliana Rodriguez, Treasurer



LeeAnn Hayes, Committee Member



Anthony Ravago Sr., Committee Member



**PALA GAMING AUTHORITY  
ORDINANCE**

FEB 14 2000

.101 Creation of Tribal Gaming Authority

This Ordinance creates the Pala Band of Mission Indians Tribal Gaming Authority, to be known as the Pala Gaming Authority (the "Authority"). The Authority shall constitute a governmental instrumentality of the Tribe, enjoying the privileges and immunities of the Tribe, which Authority shall be a separate and distinct entity of the Tribe. This legislation shall be known as the "Gaming Authority Ordinance," and is referenced herein as "Ordinance."

.102 Purpose

The Authority is organized for the purpose of designing, developing, constructing, owning, leasing, mortgaging, guaranteeing, operating, managing, promoting and financing Licensed Gaming Establishments and Other Businesses and any lawful activity related thereto, subject to any limitations imposed by any contract, indenture or other instrument by which the Authority is bound. The Pala General Council intends that the Authority may assume all obligations, responsibilities and duties of the Tribe under gaming law existing at the date of enactment of this Ordinance, as assigned by the Executive Committee, with the sole exception of the power of gaming regulation, gaming licensing and enforcement of applicable law, which powers are reserved to the Tribe.

.103 Name and Principal Place of Business

- (a) The name of the Authority is the Pala Gaming Authority.
- (b) The principal place of business of the Authority shall be Pala, California.

.104 Findings and Declarations

The General Council for the Pala Band of Mission Indians finds and declares:

- (a) The Gaming industry is vitally important to the economy of the Tribe and the general welfare of its members.
- (b) The ability of the Tribe to finance, develop, construct, operate, and maintain certain Licensed Gaming Establishments and Other Businesses will be enhanced by the creation of a separate entity which can, among other things, lease tribal trust land, obligate leasehold interests and enter into financial transactions in connection with any of the foregoing activities.
- (c) The Authority created by this Ordinance will be able to perform these functions, and, as such, will be of benefit to the Tribe and its members.

.105 Relation to Tribe

(a) The Authority is a subordinate organization of the Tribe established pursuant to Section 6(A) of the Articles of Association of the Pala Band of Mission Indians. The Authority is an instrumentality of the Tribe which enjoys autonomous existence.

(b) For purposes of taxation, civil jurisdiction and regulatory jurisdiction, the Authority shall be deemed a subordinate arm of the Tribe and, except as otherwise specifically provided in this Section 105, shall be entitled to all of the privileges and immunities of the Tribe, including the sovereign immunity of the Tribe, to the same extent as the Tribe itself.

(c) The Tribal Gaming Agency shall retain all of its duties and obligations with respect to the regulation and licensing of Gaming as outlined in the Gaming Ordinance. To the extent that any Tribal Entities have additional duties, powers, privileges, and/or obligations unrelated to the gaming industry, such entities and such unrelated duties, powers, privileges and obligations shall be unaffected by this Gaming Authority Ordinance. The Authority may assume all obligations, responsibilities and duties of the Tribe or any of its Tribal Entities (other than the Tribal Gaming Agency) with respect to Gaming existing at the date of the enactment of this Ordinance, if the Executive Committee approves the assignment of said duties to the Authority..

(d) The Authority shall have no power to exercise any regulatory or legislative power. The General Council reserves from the Authority all regulatory, legislative and other governmental power, including the power to grant, issue, revoke, suspend or deny licenses, conduct background investigations, and enact legislation regulating Gaming on Tribal lands.

.106 Definitions

(a) For purposes of this Ordinance, certain terms are defined in the subsections that follow. When not inconsistent with the context, words used in the present tense include the future, words in the singular include the plural, words in the plural include the singular, and words in one gender include the other gender. The word "shall" is always mandatory and not merely directory.

"Articles of Association" shall mean the Articles of Association of the Tribe as approved November 6, 1960 and as amended from time to time in accordance with the terms of this Ordinance.

"Authority" when capitalized, means the Pala Band of Mission Indians Tribal Gaming Authority created by this Ordinance.

"Class II Gaming" shall mean Class II Gaming as defined in the IGRA.

"Class III Gaming" shall mean Class III Gaming as defined in the IGRA.

"Compact" shall mean the Tribal-State Compact between the Tribe and the State, executed with the State of California regarding Class III Gaming, as approved pursuant to the IGRA as provided in 25 U.S.C. § 2710(d)(8)(D); as the same may, from time to time, be amended, or such other compact that may be substituted therefor.

"Executive Committee" means the Executive Committee of the Tribe, established pursuant to the Articles of Association.

"Gaming" shall mean any and all activities defined as either Class II or Class III Gaming under the IGRA and Class III Gaming as authorized under the Compact.

"Gaming Ordinance" means the Gaming Ordinance duly adopted by the Pala General Council on April 13, 1994, as amended and as approved by the NIGC pursuant to the IGRA.

"IGRA" shall mean the Indian Gaming Regulatory Act of 1988, PL 100-497, 25 U.S.C. § 2701, et seq., as same may, from time to time, be amended.

"Including" means including but not limited to.

"Licensed Gaming Establishment" means any establishment (i) in or upon which Gaming takes place, (ii) which is licensed under Section VIII of the Gaming Ordinance or which is not so licensed but which is authorized and licensed under other applicable law, and (iii) which the Management Board designates for ownership, lease, development, construction, operation or management by the Authority.

"Management Board" means the Management Board of the Authority created by this Ordinance.

"Management Contract" means any contract, subcontract or collateral agreement between the Authority and a contractor, or a contractor and a subcontractor, if such contract or agreement provides for the management of all or a part of a Licensed Gaming Establishment that has been approved pursuant to the Gaming Ordinance and the IGRA.

"NIGC" shall mean the commission established pursuant to 25 U.S.C. § 2704.

"Obligations" means any notes, bonds, interim certificates, debentures, mortgages or other evidences of indebtedness issued by the Authority under this Ordinance.

"Obligee" includes any holder of an Obligation, agent or trustee for any holder of any Obligation.

"Other Business" means any business, enterprise or activity, other than a Licensed Gaming Establishment, which the Management Board determines should be conducted by the Authority, which is related to or associated with a Licensed Gaming Establishment.

"Pala General Council" shall mean a quorum of all qualified voters of the Tribe, duly convened as the governing body pursuant to the Tribe's Constitution.

"Tribal Entity" means any entity created or owned by the Tribe for economic or governmental purposes and any entity which is controlled by the Executive Committee. An entity shall be deemed controlled by the Executive Committee if a majority of persons serving on the body which governs the entity are chosen by or are required to be members of the Executive Committee.

"Tribal Gaming Agency" means the Pala Gaming Agency (Commission) established pursuant to Section IX of the Gaming Ordinance.

"Tribe" means the Pala Band of Mission Indians.

.107 Assets of Authority

The Authority shall have only those assets of the Tribe formally assigned or leased to it by the Executive Committee or by a Tribal Entity, together with whatever assets it develops or acquires by other means as provided in this Ordinance. No activity of the Authority nor any indebtedness incurred by it shall encumber, implicate or in any way involve assets of the Tribe or another Tribal Entity not assigned or leased in writing to the Authority.

.108 Management of the Authority

(a) There is hereby established a Management Board of the Authority the purpose of which is to carry out the duties and powers of the Authority as set forth in this Ordinance.

(b) The Management Board shall consist of all of the members of the Executive Committee.

(c) The Chairperson of the Executive Committee shall also serve as Chairperson of the Management Board.

(d) No member of the Management Board shall be liable to any creditor of the Authority by reason of his or her status as a member, or by reason of acts done in the course of his or her official duties.

.109 Operation of Authority

(a) The Authority shall conduct business pursuant to bylaws consistent with this Ordinance adopted by the Management Board and approved by the General Council.

(b) The Authority may have such officers as the bylaws may provide.

(c) The Management Board shall meet as often as necessary to conduct its business, but no less frequently than quarterly. A majority of the members of the Management Board (notwithstanding the existence of vacancies) shall constitute a quorum for the transaction of business, but no Authority actions shall be taken by a vote of less than a majority of the Management Board members. The Management Board shall keep complete and accurate records of all meetings and actions taken.

(d) The Management Board shall keep full and accurate financial records, make periodic reports to the General Council and submit a complete annual report, in written form, to the Executive Committee as required by the provisions of this Ordinance.

(e) The members of the Management Board may receive a stipend for their services as provided in the bylaws. Members of the Authority shall be reimbursed for actual expenses incurred in the discharge of their duties, including necessary travel expenses. In no event shall compensation be based on the profitability of Gaming operations.

.110 Perpetual Succession

The Authority shall have perpetual succession in its name.

.111 Ability to Sue and Be Sued

(a) The General Council hereby gives its irrevocable consent to allowing the Authority, by resolution duly adopted by the Management Board, to sue and to be sued in its name, upon, or to submit to arbitration or alternative dispute resolution any controversy arising under, any contract, claim or obligation arising out of its activities under this Ordinance and hereby authorizes the Authority, by resolution duly adopted by the Management Board, to agree by contract to waive any of its immunity from suit; but the Tribe shall not be liable for the debts or obligations of the Authority, and the Authority shall have no power to pledge or encumber the assets of the Tribe. This action does not constitute a waiver of any immunity of the Tribe or a delegation to the Authority of the power to make any waiver of the immunity of the Tribe. The Authority's ability to sue and be sued and to waive its immunity from suit shall at all times remain with the Management Board to be granted by duly adopted resolution.

(b) The Authority, by resolution duly adopted by the Management Board, shall have the authority to consent (i) to the exercise of jurisdiction over any suit or over the Authority by the State Courts of California or any other state, the federal courts, the tribal courts of the Tribe or any other Indian tribe, or the courts of any United States territory or foreign jurisdiction, and (ii) to arbitration or alternative dispute resolution. Such authority shall at all times remain with the Management Board to be granted by duly adopted resolution.

(c) Except as expressly provided in this section, the Tribe by the adoption of this Ordinance and the establishment of the Authority is not waiving its sovereign immunity in any respect or consenting to the jurisdiction of any court. This section shall be strictly construed with a view toward protecting tribal assets from the reach of creditors and others.

.112 Objectives of Authority

The objectives for which the Authority is organized are to exercise control over or participate in the management and conduct of the business and operations of Licensed Gaming Establishments and Other Businesses, to provide a fair return to the Tribe on its investments and, where practical, to employ members of the Tribe in the operation of the Licensed Gaming Establishments and Other Businesses.

.113 Powers of Authority

(a) It is the purpose and intent of this Ordinance to authorize the Authority to do any and all things necessary or desirable in connection with the financing, development, construction, ownership, lease, operation, management, maintenance and promotion of Licensed Gaming Establishments and Other Businesses, or in connection with any other activities conducted by the Authority and to secure the financing and assistance necessary for such activities.

(b) Each Licensed Gaming Establishment shall be operated by the Authority as provided in this Ordinance.

(c) Subject to the limitations set forth in this Ordinance, the Gaming Ordinance and other provisions of Tribal law, the Management Board shall manage and have complete control over the conduct of Authority affairs and shall have the full power to act for and bind the Authority. Such authority shall be exercised pursuant to the bylaws of the Authority and, where appropriate, by duly adopted resolution.



(d) Subject to the limitations set forth in this Ordinance, the Gaming Ordinance and other provisions of Tribal law, the Authority, by and through the Management Board acting on behalf of the Authority, shall have the following powers which it may exercise consistent with the purposes for which the Authority was established:

- (1.) to develop, construct, own, lease, mortgage, guarantee, operate, manage, promote and finance Licensed Gaming Establishments and Other Businesses, including expansions and enlargements thereof, including the power to enter into leases and leasehold mortgages on lands held in trust by the United States for the Tribe;
- (2.) if the Management Board determines it to be in the best interests of the Authority and the Tribe, to terminate the operation of any Licensed Gaming Establishment and/or Other Businesses and to dispose of, demolish or abandon any facilities relating thereto;
- (3.) to adopt, amend or repeal bylaws, including emergency bylaws, relating to the business of the Authority, the conduct of its affairs, its rights and powers and powers of its Management Board and officers, subject to the approval of the Executive Committee as provided in this Ordinance;
- (4.) to elect or appoint officers, employees or other agents of the Authority, prescribe their duties and fix their compensation, and indemnify members, officers, employees and agents;
- (5.) to enter into, make, perform and carry out, cancel and rescind contracts, agreements and understandings for any lawful purpose pertaining to its business or incidental to the purposes for which it was established with any Federal, state or local (including the Tribe) governmental agency or authority or with any person, partnership, limited partnership, corporation, limited liability company, Indian tribe, Tribal Entity, or other entity;
- (6.) to enter into, make, perform and carry out, cancel and rescind any Management Contract;
- (7.) to lease property from the Tribe, a Tribal Entity or others for such periods as are authorized by law, and to hold, mortgage and manage or sublease the same;
- (8.) to give guarantees and incur liabilities;
- (9.) to lend money, invest and reinvest funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;
- (10.) subject to Section .113 and other provisions of this Ordinance, to obtain financing and refinancing, to borrow money at rates of interest as the Authority may determine, to issue temporary or long term indebtedness and to repay the same;
- (11.) subject to Section .113 and other provisions of this Ordinance, to mortgage or pledge assets and receipts of the Authority as security for debts;
- (12.) to agree to any conditions attached to Federal, state or local financial assistance;

- (13.) to purchase, receive, take by grant, devise, bequest or otherwise, lease or otherwise acquire, own, hold, improve, employ, use, and otherwise enjoy all power necessary and appropriate to deal in and with, real and personal property, or an interest in real or personal property, wherever situated;
- (14.) subject to Section .113 and other provisions of this Ordinance, to sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage or pledge, or create a security interest in any of its property or an interest in its property, wherever situated;
- (15.) to purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, employ, sell, lend, lease, mortgage, exchange, transfer or otherwise dispose of, pledge, use and otherwise deal in and with, bonds and other obligations, shares or other securities or interests issued by others, whether engaged in similar or different business, governmental, or other activities, including banking corporations and trust companies;
- (16.) to employ contractors, consultants, attorneys and accountants;
- (17.) to employ, discipline and discharge employees and establish personnel policies and terms and conditions of employment;
- (18.) to undertake and carry out studies and analysis of existing and potential Licensed Gaming Establishments and Other Businesses;
- (19.) to establish procedures for resolving disputes between the Gaming public and the Licensed Gaming Establishment or any management or other contractor;
- (20.) to purchase insurance from any stock or mutual company for any property or against any risk or hazards;
- (21.) to establish and maintain such bank accounts as may be necessary or convenient;
- (22.) to participate with others in any corporation, partnership, limited partnership, limited liability company, or other association of any kind, or in any transaction, undertaking, or agreement which the participating Authority would have power to conduct by itself;
- (23.) to allow the Authority to sue and be sued in its own name as an agency of the Tribe, upon any contract, claim or obligation arising out of its activities under this Ordinance and to agree by contract to waive any of its immunity from suit;
- (24.) to consent to the exercise of jurisdiction over any suit or over the Authority by the State Courts of California or any other state, the federal courts, the tribal courts of the Tribe or any other Indian tribe, or the courts of any United States territory or foreign jurisdiction, or to arbitration or alternative dispute resolution;
- (25.) to take such further actions as are commonly engaged in by public bodies of the character of the Authority, the Management Board may deem necessary, desirable or convenient to effectuate any or all of the purposes for which the Authority is organized; and

- (26.) to enjoy the sovereign immunity of the Tribe to the same extent as the Tribe.
- (e) The Authority may, by contract or other instrument approved by the Management Board,
  - (1.) agree to limitations upon the activities in which the Authority shall engage, in which event so long as such agreement is effective the Authority shall comply with such limitations; and
  - (2.) agree that contracts or other actions involving the Tribe or other parties related to the Tribe or the Authority must be approved by an advisory committee established by the Management Board, in which event, so long as such agreement is effective, the Authority shall not have the power or authority to enter into any contract or perform any act to which such agreement is applicable, unless the same is approved by such advisory committee, notwithstanding any other provision of this Ordinance.

.114 Obligations

(a) The Authority may obtain financing and issue Obligations from time to time in its discretion for any of its purposes and may also refinance and issue refunding obligations for the purpose of paying or retiring Obligations as it may determine, including Obligations on which the principal and interest are payable:

- (1.) exclusively from the income and revenues of the Licensed Gaming Establishment and/or Other Businesses financed with the proceeds of such Obligations, or with such income and revenues together with a grant or subsidy from the Federal, state or Tribal government in aid of such establishment or development;
- (2.) exclusively from the income and revenues of certain designated Licensed Gaming Establishments and/or Other Businesses whether or not they were financed in whole or in part with the proceeds of such obligations; or
- (3.) from its revenues generally.

Any such Obligations may be additionally secured by a pledge of any revenues of or any other property of the Authority.

(b) Neither the members of the Management Board nor any person executing the Obligations shall be liable personally on the Obligations by reason of issuance thereof.

(c) The Obligations of the Authority shall not be a debt of the Tribe and the Obligations shall so state on their face.

(d) Obligations shall be issued and sold in the following manner:

- (1.) Obligations of the Authority shall be authorized by a resolution adopted by the vote of a majority of all of the members of the Authority and may be issued in one or more series.
- (2.) The Obligations shall bear such dates, mature at such times, bear interest at such rates, be in such denominations, be in such form, either couponed or registered, carry such conversion and registration privileges, have such rank or priority, be

executed in such manner, be payable in such medium of payment and at such places, and be subject to such terms of redemption, with or without premium, as such resolution may provide.

- (3.) The Obligations may be sold at public or private sale at such price or prices as the authorizing resolution may provide.
- (4.) In the case of members of the Management Board whose signatures appear on any of the Obligations cease to be members before the delivery of such Obligations, the signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if the members had remained in office until delivery.
- (e) Obligations of the Authority may be in negotiable form.
- (f) In connection with the issuance of Obligations and to secure the payment of such Obligations, the Authority, subject to the limitations in this Ordinance, may:
  - (1.) Pledge all or any part of the gross fees or revenues of the Authority to which its rights then exist or may thereafter come into existence;
  - (2.) Provide for the powers and duties of Obligees and limit their liabilities; and provide the terms and conditions on which such Obligees may enforce any covenant or rights securing or relating to the Obligations;
  - (3.) Covenant against pledging all or any part of the fees and revenues of the Authority or against mortgaging any or all of the real or personal property of the Authority to which its title or right then exists or may thereafter come into existence or permitting or suffering any lien on such revenues or property;
  - (4.) Covenant with respect to limitations on the right of the Authority to sell, lease or otherwise dispose of any Licensed Gaming Establishment or Other Business or any part thereof;
  - (5.) Covenant as to what other or additional debts or obligations may be incurred by it;
  - (6.) Covenant as to the Obligations to be issued and as to the issuance of such Obligations in escrow or otherwise, and as to the use and disposition of the proceeds thereof;
  - (7.) Provide for the replacement of lost, destroyed or mutilated Obligations;
  - (8.) Covenant against extending time for the payment of its Obligations or interest thereon;
  - (9.) Redeem the Obligations and covenant for their redemption and provide for the terms and conditions thereof;
  - (10.) Covenant concerning any fees to be charged in the operation of a Licensed Gaming Establishment or Other Businesses, the amount to be raised each year or other period of time by such fees and other revenues, and as to the use and disposition to be made thereof;

- (11.) Create or authorize the creation of special funds for monies held for construction, development or operating costs, debt service, reserve or other purposes, and covenant as to the use and disposition of the monies held in such funds;
- (12.) Prescribe the procedure, if any, by which the terms of any contract with holders of Obligations may be amended or abrogated, the proportion of outstanding Obligations the holders of which must consent thereto, and the manner in which such consent may be given;
- (13.) Covenant as to the use, maintenance and replacement of the real and personal property of the Authority, the insurance to be carried thereon and the use and disposition of insurance proceeds;
- (14.) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation;
- (15.) Covenant and prescribe as to events of default and terms and conditions upon which any or all of its Obligations become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived;
- (16.) Vest in any Obligees or any proportion of them the right to enforce the payment of Obligations or any covenant securing or relating to the Obligations;
- (17.) Exercise all or a part or a combination of the powers granted in this section;
- (18.) Make covenants other than and in addition to the covenants expressly authorized in this section, of like or different character;
- (19.) Make any covenants and do any acts and things necessary or convenient or desirable in order to secure its Obligations, or, in the absolute discretion of the Authority, tending to make the Obligations more marketable although the covenants, acts or things are not enumerated in this section;
- (20.) Pledge, mortgage or grant a security interest in all or any part of the assets of the Authority;
- (21.) Waive, conditionally or unconditionally, the sovereign immunity of the Authority, provided that the Authority shall not have any power to waive any of the privileges or immunities of the Tribe, or to grant or purport to grant any right, lien or interest in any of the assets of the Tribe.

.115 Reports of the Authority

(a) The Management Board shall prepare and submit to the General Council within thirty (30) days after the close of each quarter a quarterly report, signed by the Chairperson, showing:

- (1.) a summary of the quarter's activities;
- (2.) the financial condition of the Authority and of each Licensed Gaming Establishment and Other Business;

- (3.) any significant problems and accomplishments;
- (4.) plans for the following quarter; and
- (5.) such other information as the Management Board or the General Council deems pertinent.

(b) The Management Board shall prepare and submit to the General Council within forty five (45) days after the close of each fiscal year an annual report, signed by the Chairperson, showing:

- (1.) a summary of the year's activities;
- (2.) the complete financial condition of the Authority and of each Licensed Gaming Establishment and Other Businesses including a detailed report outlining the operations of the Authority and of each Licensed Gaming Establishment and Other Businesses;
- (3.) any significant problems and accomplishments;
- (4.) plans for the following year; and
- (5.) such other information as the Management or the General Council deems pertinent.

.116 Finances and Accounting

(a) The fiscal year of the Authority shall be the fiscal year of the Tribe.

(b) The quarters for Authority reporting purposes shall be as follows: October 1 through December 31; January 1 through March 31; April 1 through June 30; and July 1 through September 30.

(c) The Management Board shall establish and install an accounting system (1) in conformity with accounting principles generally accepted in the Indian gaming industry, and (2) necessary and advisable, in the reasonable discretion of the Management Board, in order to manage the assets of the Authority and the Gaming assets of the Tribe. Such accounting system shall insure the availability of information as may be necessary to comply with Federal, State and Tribal regulatory requirements.

(d) The accounts and records of the Authority shall be audited at the close of each fiscal year in accordance with the provisions of the IGRA and the regulations of the NIGC. Copies of such audit reports shall be furnished to the Executive Committee.

(e) The books, records and property of the Authority shall be available for inspection at all reasonable times by authorized representatives of the Tribe, and upon notice to the Executive Committee, by representatives of the Secretary of the Interior of the United States of America.

.117 Indemnification of Officers, Employees and Board Members of the Authority

The Authority shall indemnify any officer, employee or member of the Management Board of the Authority, any former officer, employee or member of the Management Board of the Authority, and any

person who may have served at its request as an officer, employee or member of the Management Board of the Authority, against reasonable expenses actually and necessarily incurred by that person in connection with the defense of any action, suit or proceeding in which that person is made a party by reason of being, or having been such officer, employee or member of the Management Board of the Authority except in relation to matters as to which that person shall be adjudged in such action, suit or proceeding to be liable for gross negligence or intentional misconduct in the performance of duty; or except in relation to matters in which such employee was acting beyond the scope of their employment. The Authority shall also reimburse any officer, employee or member of the Management Board of the Authority reasonable costs of settlements of any such action, suit or proceeding if it shall be found by a majority of the Management Board of the Authority other than the members of the Management Board involved in the matter in controversy (whether or not a quorum exists), that it is in the best interest of the Authority and the Tribe that such settlement be made and that such officer, employee or member of the Management Board of the Authority was not guilty of gross negligence or intentional misconduct, or acting beyond the scope of their employment. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights which such officer, employee or member of the Management Board of the Authority may be entitled to receive.

.118 Personal Interest

During his or her tenure and one year thereafter, no officer or employee of the Authority, or any member of the Management Board, or any other public official who exercises any responsibilities or functions with respect to a Licensed Gaming Establishment or Other Business shall voluntarily acquire any interest, direct or indirect, in any Licensed Gaming Establishment or Other Business or in any property included or planned to be included in a Licensed Gaming Establishment or Other Business, or in any contract or proposed contract relating to any Licensed Gaming Establishment or Other Business. If any member of the Management Board, officer or employee of the Authority involuntarily acquires any such interest, or voluntarily or involuntarily, acquired any such interest prior to appointment or employment as a board member, officer or employee, the board member, officer or employee, in any such event, shall immediately disclose his or her interest in writing to the Authority, such disclosure shall be entered in the minutes of the Authority, and such member of the Management Board, officer or employee shall have sixty (60) days to dispose of such interest. In the interim, the member of the Management Board, officer or employee shall not participate in any action by the Authority relating to the property or contract in which he or she has any such interest. This section shall not be applicable to the acquisition of any interest in Obligations of the Authority issued in connection with any Licensed Gaming Establishment or Other Business, or to the execution of agreements by banking institutions for the deposit or handling of funds in connection with any Licensed Gaming Establishment or Other Business or to act as trustee under any trust indenture, or to utility services the rates for which are fixed or controlled by a governmental agency, or to membership on the Management Board of the Authority as provided in this Ordinance. The Management Board may, by resolution, waive any of the provisions of this Section.

.119 Bond

The Management Board, on behalf of and in the name of the Authority, shall obtain or provide for the obtaining of adequate fidelity bond coverage of its officers, agents, or employees handling cash or authorized to sign checks or certify vouchers.

.120 Judgment Proof Property

All property including funds acquired or held by the Authority pursuant to this Ordinance shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any judgment against the Authority be a charge or lien upon such property. However, the provisions of this Section shall not apply to or limit the right of lenders or Obligees to pursue any remedies for the enforcement of any guarantee, pledge or lien given by the Authority on its fees or

revenues, nor to any waiver of immunity specifically subjecting Authority property to levy, execution or judicial process which is contained in a contract and approved by resolution of the Management Board as provided in this Ordinance.