



JUN 6 2008

E. Kelly Haney, Chief
Seminole Nation of Oklahoma
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Wewoka, OK 74884
Fax: (405) 257-7209

Elizabeth Homer
Homer Law, Chartered
1730 Rhode Island Avenue, NW
Suite 501
Washington, DC 20036
Fax: (202) 955-5605

Re: Seminole Nation of Oklahoma
Gaming Ordinance Amendment

Dear Chief Haney and Ms. Homer:

The letter responds to Ms. Homer's request on behalf of the Seminole Nation of Oklahoma (Nation) for the National Indian Gaming Commission (NIGC) to review and approve an amendment to the Seminole Nation Public Gaming Act (Amendment). The Nation's General Council approved the Amendment in Tribal Ordinance # TO-2008-06 on April 8, 2008. The Amendment was received by the NIGC on April 15, 2008.

The proposed amendment modifies Section 501 and reflects revisions to the Nation's internal gaming revenue accounting practices. The proposed amendment provides a definition for "NIGC Fine Payment" and, in part, provides the following:

"NIGC Fine Payment" shall be calculated and paid to the NIGC based on "Net Gaming Revenue" and shall be defined as gross gaming revenue (Class II and Class III) less amounts paid out as, or paid for prizes and total operating expenses (excluding management fees, if any). (Gross Revenue – Prizes Paid Out – Total Operating expense = Net Gaming Revenue). For purposes of this calculation, the term "Operating Expenses" shall include the following: all gaming employee salaries, wages and benefits; advertising; utilities, supplies, gaming commissions, regulatory fees, and other operating costs plus that portion of SNDOC's operating costs directly attributable to its administration of the Gaming Enterprise.

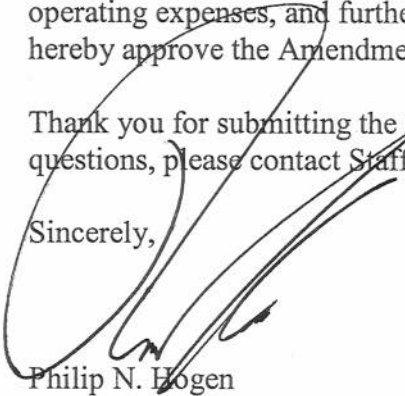
Seminole Nation of Oklahoma, Tribal Ordinance # TO-2008-06, Section 300 (April 8, 2008). The NIGC Office of General Counsel was concerned that the definition of "Operating Expenses" within the broader definition might possibly be interpreted to include costs that were not gaming related and discussed the issue with Ms. Homer on June 3, 2008. At that time, she explained that the intent of the proposed amendment is to limit "Operating Expenses" to those expenses that are gaming related and indicated that it appeared there is a scrivener's error in the definition of "Operating Expenses." Further, Ms. Homer represented that the colon in the definition of "Operating Expenses" should have appeared after the word gaming and offered to correct the placement when the amendment was codified.

In addition, Ms. Homer further acknowledged that the proposed Amendment does not amend the Agreement to Modify the Civil Fine Assessment Payment Schedule Pending the Commission's Consideration of the Nation's Petition for Reduction and/or Modification of Civil Fine Assessment (Agreement) between the Nation and the Commission, dated April 2, 2008. As you are aware, the Agreement can only be amended by the full Commission.

With the express understanding that the definition of "Operating Expenses" within the definition of "NIGC Fine Payment" shall be interpreted to include only gaming-related operating expenses, and further that this approval does not amend the Agreement, I hereby approve the Amendment.

Thank you for submitting the Amendment for review and approval. If you have any questions, please contact Staff Attorney Esther Dittler at (202) 632-7003.

Sincerely,



Philip N. Hogen
Chairman

Elizabeth L. Homer
Attorney At Law

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Chartered

1730 Rhode Island Ave., NW
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April 14, 2008

APR 14 2008

Chairman Philip Hogen
National Indian Gaming Commission
1441 L Street NW
Suite 9100
Washington DC 20005

Re: Seminole Nation of Oklahoma
Gaming Ordinance Amendment

Dear Chairman Hogen:

In accordance with 25 C.F.R. § 523.3 enclosed for your review is the Amendment to the Seminole Nation Public Gaming Act adopted by the Seminole Nation General Council on April 8, 2008.

The Amendment is limited to modification of Section 501 of Title 15 of the Seminole Nation Code of Laws. This change to the Amendment reflects revision of gaming revenue accounting practices of the Seminole Nation Division of Commerce. All other provisions of the Seminole Nation Public Gaming Act remain unchanged. There have been no changes to the Nation's compact with the state of Oklahoma.

Please note that the Tribal Ordinance passed on April 8, 2008, TO 2008-06, explicitly supersedes TO 2008-03 which was passed in March 2008. Thank you for your attention to this matter. If you have any questions regarding this submission, please contact me at 202-955-5601.

Sincerely,

Elizabeth L. Homer by *ELH*

Elizabeth L. Homer
Counsel

cc: Enoch K. Haney, Principal Chief
Encl.

SEMINOLE NATION OF OKLAHOMA

TO 2008-06

AN ORDINANCE MODIFYING TITLE 15, GAMING, SECTION 501 REGARDING REVENUE TO COMPLY WITH TITLE 8 SECTION 212 (a)(18)(C) CONCERNING GAMING.

BE IT ENACTED BY THE GENERAL COUNCIL OF THE SEMINOLE NATION OF OKLAHOMA:

Section 100. Findings:

- (1) The General Council finds that the modifications to the gaming revenue provisions in Section 501 Title 15 contained in TO 2008-03 were not accepted by the National Indian Gaming Commission and the attached modifications were necessitated; and
- (2) The Finance Committee has reviewed and approved the proposed changes to Section 501 of Title 15.

Section 200. Purpose:

To modify the ordinances which govern the gaming revenue of the Seminole Nation of Oklahoma.

Section 300. Authorization:

Title 15, Section 501, shall be modified as follows (underlining denotes additions, strike through denote deletions):

Section 501. Gaming Revenue

A. The accounting division of the Seminole Nation Division of Commerce shall determine the "Daily Sales" of gaming revenues as follows: (1) cash shall be removed and counted from the gaming machines and shall be verified and deposited into the vault; (2) using the appropriate formulas, the vault shall prepare the daily deposit which shall be approved by the Seminole Nation Gaming Commission; and (3) the on a daily basis track all gaming revenue data and shall record such data immediately upon its receipt of the daily deposit information shall be submitted to documentation from each gaming facility. The accounting division of the Seminole Nation Division of Commerce for recording shall also perform the following calculations each month:

B. The Seminole Nation Division of Commerce shall determine the "Daily Payouts" of gaming revenues as follows: (1) calculate gaming machine payout tickets and jackpots; and (2) verify and record payout amounts which shall be

~~submitted to the accounting division of the Seminole Nation Division of Commerce for recording.~~

~~C. The Seminole Nation Division of Commerce shall subtract the Daily Payouts from the Daily Sales to determine the "Net Win" from which payment for fines assessed by the NIGC ("NIGC Fines"), if applicable are calculated. These payments shall be and deposited into the correct account to be paid to the NIGC.~~

~~D. After payment of NIGC fines, if applicable, the "Net Win by Vendor" (Daily Sales minus Daily Payouts per vendor) is then calculated. From the Net Win by Vendor, fees, taxes and other vendor related expenses are subtracted and each vendor is paid monthly its contract percentage or commission ("Vendor Payments") based on its contract with the Seminole Nation Division of Commerce.~~

E.1. "Compact Fees" are then shall be calculated and paid to the State of Oklahoma based on Net Win "adjusted gross covered games revenue" as that term is defined and calculated based on the applicable in the compact in effect between the State of Oklahoma and the Seminole Nation of Oklahoma by subtracting from the total amount of all receipts (total amounts wagered) in covered games, all amounts paid out (for prizes). (Total receipts - Total Payments = Adjusted Gross Covered Games Revenue). The amount to be paid to the State shall be the appropriate percentage of "adjusted gross covered games revenue" as specified in the Compact.

2. "NIGC Fine Payment" shall be calculated and paid to the NIGC based on "Net Gaming Revenue" and shall be defined as gross gaming revenue (Class II and Class III) less amounts paid out as, or paid for prizes and total operating expenses (excluding management fees, if any). (Gross Revenue - Prizes Paid Out - Total Operating expense = Net Gaming Revenue). For purposes of this calculation, the term "Operating Expenses" shall include the following: all gaming employee salaries, wages and benefits; advertising; utilities, supplies, gaming commissions, regulatory fees, and other operating costs plus that portion of SNDOC's operating costs directly attributable to its administration of the Gaming Enterprise. Depreciation and fees assessed by the BCR shall be excluded from the definition of "Operating Expenses." The fine payment to NIGC shall be the appropriate percentage of "Net Gaming Revenue" as specified by the NIGC in its agreement(s) with the Nation and in accordance with the terms of this section. Pursuant to the NIGC Fine Agreement approved by General Council, the fine payments to NIGC will be reviewed further for reduction or abatement at the end of the eighteen months from the signing of the agreement by both parties.

3. "Adjusted Net Profit" shall mean "Net Gaming Revenue" as that term is defined in Section 501(A)(2) minus Compact Fees plus the NIGC Fine payment until it is satisfied. Net Gaming Revenue - (Compact Fee + NIGC Fine) = Adjusted Net Profit. Once the NIGC Fine is satisfied, the definition of operating costs as defined in Section 501(A)(2) shall continue to apply for purposes of the monthly calculations of Adjusted Net Profit, including the amount of the regulatory fee payable to NIGC on a quarterly basis or on such schedule as the NIGC may specify by rule.

~~F. The Seminole Nation Division of Commerce shall calculate all "Operating Expenses" of the casinos which shall be processed and approved by the accounting department of the Seminole Nation Division of Commerce and recorded. These Operating Expenses shall be paid from Net Win.~~

~~G. The Seminole Nation Division of Commerce shall then calculate "Net Profit" which is determined as Daily Sales after the subtraction of Daily Payouts, NIGC Fines, Vendor Payments, Compact Fees and Operating Expenses.~~

B. Prior to the monthly distribution of Adjusted Net Profit, SNDOC shall transfer the amount calculated for the Compact Fee and the NIGC Fine (until satisfied) from the gaming depository account into segregated account(s) and from such account(s), SNDOC shall remit such amounts payable to the State of Oklahoma and the NIGC in accordance with the schedules specified in the Compact and by the Agreement with the NIGC, respectively.

~~H. C. On the 15th of each month, SNDOC shall remit to the Treasurer of the Seminole Nation Of the remaining Net Revenue or Net Profit, seventy percent (70%) of the Adjusted Net Profit from gaming, which shall be of constitute the Nation's share., shall be submitted to the Treasurer of the Seminole Nation by the 15th of each month and The Nation's share shall be used to fund, through applied in accordance with an approved General Council resolution, to fund tribal government or programs,; to provide for the general welfare of the Nation and its members; to promote tribal economic development; to donate to charitable organizations; or to fund operation of local government agencies of the Seminole Nation.~~

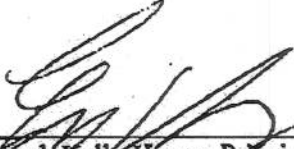
~~I. D. The remaining thirty percent (30%) of the Adjusted Net Revenue Profit shall be used by the SNDA SNDOC monthly for its use in Non Direct Gaming-Related Operating Expenses, its corporations, partnerships, joint ventures, other arrangements, or under takings or other activities as authorized by Title 8 of the Seminole Nation Code of laws.~~

Section 400. Effective Date:

The modifications to Sections 501 of Title 15 shall become effective immediately upon passage of this Ordinance by the General Council, provided that if the NIGC Chairman should disapprove this amendment, it shall immediately cease to be of any force or effect . Further, TO 2008-06 shall supersede the enactment of TO 2008-03.

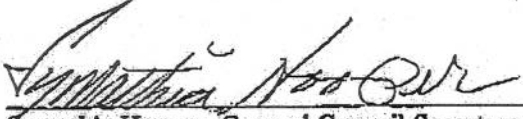
CERTIFICATION

PASSED AND APPROVED by the General Council of the Seminole Nation of Oklahoma this 8th day of April 2008, at Mekusukey Mission, south of Seminole, Oklahoma, by a vote of 25 Yes, 1 No, 0 Abstain, a quorum of Fifteen (15) Council members being present.



Enoch Kelly Haney, Principal Chief
Seminole Nation of Oklahoma

ATTEST:



Symathia Hooper, General Council Secretary
General Council, Seminole Nation of Oklahoma

