

FEB 6 1998

Honorable Herbert Mark Whitish
Chairman, Shoalwater Bay Indian Tribe
P.O. Box 130
Tokeland, Washington 98590

Dear Chairman Whitish:

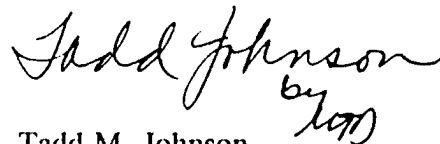
This letter responds to your request to review and approve the Shoalwater Bay Indian Tribe Gaming Code, adopted on March 28, 1997, by the Shoalwater Bay Indian Tribe (Tribe). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required tribal ordinance are not subject to review and approval. Also such approval does not constitute approval of specific games. It is important to not that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

With the Chairman's approval of the Tribe's gaming ordinance, the Tribe is now required to conduct background investigations on its key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official pursuant to 25 C.F.R. §556.5(a) and an investigative report on each background investigation before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. §556.5(b).

Thank you for submitting the Gaming Code of the Shoalwater Bay Indian Tribe for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,



Tadd M. Johnson
Chairman

**SHOALWATER BAY INDIAN TRIBE
CLASS II & III GAMING CODE**

DEC - 2 1997

I. Purpose

The Tribal Council empowered by the Tribe's Constitution or other governing body to enact ordinances hereby enacts this ordinance in order to set the terms for class II and class III gaming operations on tribal lands.

II. Gaming Authorized

A. Class II gaming as defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C. Section 2703 (7) (A) ("IGRA") and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. § 502.3 (as published in the Federal Register at 57 FR 12382-12393, April 9, 1992) is hereby authorized.

B. Class III gaming as defined in the IGRA, P.L. 100-447, 25 U.S.C. Section 2703 (8) and by the regulations promulgated by the National Indian Gaming Commission at 25 C.F.R. § 502.3 (as published in the Federal Register at 57 FR 12382-12393, April 9, 1992) is hereby authorized.

III. Ownership of Gaming

The Tribe shall have the sole propriety interest in and responsibility for the conduct of any gaming operation authorized by this ordinance.

IV. Use of Gaming Revenue

A. Net revenues from class II and class III gaming shall be used only for the following purposes: to fund tribal government operations and programs; provide for the general welfare of the Tribe and its members; promote tribal economic development; donate to charitable organizations; or help fund operations of local government agencies.

B. If the Tribe elects to make per capita payments to tribal members, it shall authorize such payments only upon approval of a plan submitted to the Secretary of the Interior under 25 U.S.C. §2710 (b) (3).

V. Audit

A. The Tribe shall cause to be conducted annually an independent audit of gaming operations and shall submit the resulting audit reports to the National Indian Gaming Commission.

B. All gaming related contracts that result in the purchase of supplies, services,, or concessions in excess of \$25,000.00 annually, except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit that is described in section A, above.

VI. Protection of the Environment and the Public Health and Safety

Class II and class III gaming facilities shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety.

VII. Licenses for Key Employees and Primary Management Officials

The Tribe 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 or class III gaming enterprise operated on Indian lands:

A. Definitions

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

1. Key employee means

- (a) A person who performs one or more of the following functions:
- (1) Bingo caller;
 - (2) Counting room supervisor;
 - (3) Chief of security;
 - (4) Custodian of gaming supplies or cash;
 - (5) Floor mangers;
 - (6) Pit boss;
 - (7) Dealer;
 - (8) Croupier;
 - (9) Approver of credit; or
 - (10) 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 \$50,000.00 per year; or

- (c) If not otherwise included, the four most highly compensated persons in the gaming operation.

2. 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.

B. Application Forms

1. The following notice shall be placed on the application form for 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. § 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 National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to 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.

2. 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.
3. 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. (U.S. Code, title 18, section 1001.)

4. The Tribe 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

1. The Tribe shall request from 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 5 years: 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 section;
- d. Current business and residence telephone numbers;
- e. A description of any existing and previous business relationships with Indian tribes, 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 any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
- 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 10 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 10 years of the date of the application and is not otherwise listed pursuant to paragraph (1) (h) or (1) (i) of this section, the criminal charge, the name and address of the court involved and the date and disposition;

- k. The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such a license or permit was granted;
 - l. A current photograph;
 - m. Any other information the Tribe deems relevant; and
 - n. Fingerprints consistent with procedures adopted by the Tribe according to 25 C.F.R. §522.2 (h).
2. The Tribe shall conduct an investigation sufficient to make a determination under subsection D. below. In conducting a background investigation, the Tribe or its agent shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

D. Eligibility Determination

The Tribe shall review a person's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in a gaming operation. If the Tribe determines that the employment of a person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, a tribal gaming operation shall not employ that person in a key employee or primary management official position.

E. Procedures for Forwarding Applications and Reports for Key Employees and Primary Management Officials to the National Indian Gaming Commission

1. When a key employee or primary management official begins work at a gaming operation authorized by this ordinance, the Tribe 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.

2. The Tribe shall forward the report referred to in subsection F of this section to the National Indian Gaming Commission within 60 days after an employee begins work or within 60 days of the approval of this ordinance by the Chairman of the National Indian Gaming Commission.
3. 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. Report to the National Indian Gaming Commission

1. Pursuant to the procedures set out in subsection E of this section, the Tribe 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 a background investigation;
 - b. Results obtained;
 - c. Conclusions reached; and
 - d. The bases for those conclusions.
2. The Tribe shall submit, with the report, a copy of the eligibility determination made under subsection D of this section.
3. If a license is not issued to an applicant, the Tribe:
 - a. Shall notify the National Indian Gaming Commission; and
 - b. May forward copies of its eligibility determination and investigative reports (if any) to the National Indian Gaming Commission for inclusion in the Indian Gaming Individuals Records System.
4. With respect to key employees and primary management and officials, the Tribe shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the

National Indian Gaming Commission or his or her designee for no less than three (3) years from the date of termination of employment.

G. Granting a Gaming License

1. If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the tribe 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 tribe has provided an application and investigative report to the National Indian Gaming Commission, the Tribe may issue a license to such applicant.
2. The Tribe shall respond to a request for additional information from the Chairman 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 paragraph G. 1. of this section until the Chairman of the National Indian Gaming Commission receives the additional information.
3. If, within the thirty (30) day period described above, the National Indian Gaming Commission provides the Tribe with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Tribe has provided an application and investigative report to the National Indian Gaming Commission, the Tribe shall reconsider the application, taking into account the objections itemized by the National Indian Gaming Commission. The Tribe shall make the final decision whether to issue a license to such applicant.

H. License Suspension

1. If, after the issuance of a gaming license, the Tribe 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 Tribe shall suspend such license and shall notify in writing the licensee of the suspension and the proposed revocation.

2. The Tribe shall notify the licensee of a time and a place for a hearing on the proposed revocation of a license.
3. After a revocation hearing, the Tribe shall decide to revoke or to reinstate a gaming license. The Tribe shall notify the National Indian Gaming Commission of its decision.

VIII. License Locations

The Tribe shall issue a separate license to each place, facility, or location on Indian Lands where class II or class III gaming is conducted under this ordinance.

IX. Repeal

To the extent that they are inconsistent with this ordinance, all prior gaming ordinances are hereby repealed.

Enclosures

EXHIBIT A. Certified copy of the Shoalwater Bay Indian Tribe Class II & III Gaming Code

EXHIBIT B. Tribal Resolution #03-28-97-15 authorizing Gaming Code

EXHIBIT C. Rules Governing Background Checks of Primary Management Officials and Key Employees, formally adopted by the Tribal Council, pursuant to Tribal Resolution #11-26-97-60.

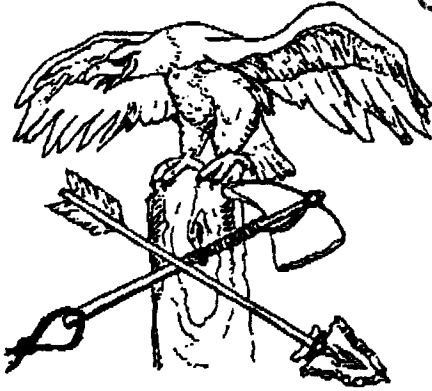
EXHIBIT D. Memorandum of Understanding Regarding the Dissemination of Criminal History Record Information By The National Indian Gaming.

EXHIBIT E. Rules Governing the Issuance of Tribal Licenses to Primary Management Officials and Key Employees formally adopted by the Tribal Council, pursuant to Tribal Resolution #11-26-97-60.

EXHIBIT F. Rules Implementing Procedures for Resolving Disputes Between the Gaming Public and The Shoalwater Bay Indian Tribe formally adopted by the Tribal Council, pursuant to Tribal Resolution #11-26-97-60

EXHIBIT G. Designation of Agent formally adopted by the Tribal Council, pursuant to Tribal Resolution #11-26-97-60

EXHIBIT H. Tribal Resolution #11-26-97-60



SHOALWATER BAY INDIAN TRIBE

P.O. Box 130 • Tokeland, Washington 98590
Telephone (360) 267-6766 • FAX (360) 267-6778

SHOALWATER BAY INDIAN TRIBE RESOLUTION #03-28-97-15

NIGC MODEL GAMING CODE

WHEREAS, The Shoalwater Bay Indian Tribe is a Federally Recognized Tribe headquartered on the Shoalwater Bay Indian Reservation in the State of Washington; and

WHEREAS, The Shoalwater Bay Tribal Council is the governing body of the Shoalwater Bay Indian Tribe in accordance with their Constitution and By-Laws; and

WHEREAS, The Shoalwater Bay Tribal Council has been charged with the responsibility of promoting the social, health, and economic well-being of the Shoalwater Bay People; and

WHEREAS, The Shoalwater Bay Indian Tribe, pursuant to its sovereign rights, has chosen to pursue gaming activities as a viable means to generate badly needed revenues to fund tribal programs and projects and to provide meaningful employment opportunities for the membership;


WHEREAS, The National Indian Gaming Commission has provided a Model Gaming Ordinance that it suggests Tribes adopt; and

WHEREAS, It is in the best interest of the Tribe to amend this Gaming Ordinance to conform with the NIGC Model Gaming Ordinance;

NOW THEREFORE BE IT RESOLVED, That the Shoalwater Bay Tribe hereby amends its gaming ordinance to include the attached SHOALWATER BAY INDIAN TRIBE CLASS II & CLASS III GAMING CODE which is incorporated into this Resolution by this reference.

CERTIFICATION

This Resolution was passed at a Special Tribal Council Meeting held March 28, 1997 at the Shoalwater Bay Tribal Center at which a quorum was present. 5 FOR 0 AGAINST AND 0 ABSTAIN.


Herbert Mark Whitish, Chairman
Shoalwater Bay Tribal Council


Lynn Clark, Secretary
Shoalwater Bay Tribal Council

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SHOALWATER BAY INDIAN TRIBE

GAMING

RULES GOVERNING BACKGROUND CHECKS OF PRIMARY MANAGEMENT OFFICIALS AND KEY EMPLOYEES

The Shoalwater Bay Tribal Council hereby establishes and implements the following rules and regulations governing background checks of all primary management officials and key employees in accordance with the Shoalwater Bay Indian Tribe Class II and Class III Gaming Code.

001. Minimum Information.

The Tribal Council shall through hired staff or through contracting with qualified individuals request from each applicant or existing employee that serves as a primary management official or key employee, as defined by the Gaming Code, 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: 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 section .001(b);
- (d) Current business and residence telephone numbers;
- (e) A description of any existing and previous relationships with Indian Tribes, including ownership interests in those businesses;
- (f) A description of any existing and previous relationships with the gaming industry generally, including ownership interests in those businesses;
- (g) The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or nor such license or permit was granted;
- (h) For each felony for which there is an ongoing prosecution or conviction, the charge, the name and address of the court involved, and the date of 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 of disposition;

(j) For each criminal charge (excluding minor traffic violations), whether or not there was a conviction, if such criminal charge was within ten years of the date of the application and is not otherwise listed pursuant to §§ .001(h) or .001(I), the criminal charge, the name and address of the court involved and the date of disposition;

(k) The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;

(l) A current photograph;

(m) Any other information that the Tribal Council deems relevant; and

(n) Fingerprints to be taken by Pacific County Sheriff's Department, consistent with any Memorandum of Understanding, which the Tribe shall execute with the NIGC.

.002 Notice of Privacy Rights

The Application shall set forth the full notice of privacy rights as required by the NIGC in 25 CFR §556.2(a) as may be amended from time to time.

.003 Processing of Application

The Council shall through hired staff or through contracting with law enforcement agencies or other appropriate entities, or any appropriate combination thereof, cause the following to occur:

(a) Verify the applicant's name, place of birth, date of birth and citizenship by requiring the applicant to provide appropriate items such as a birth certificate, social security card and/or passport;

(b) Confirm the applicant's business and employment positions held and ownership interests in those businesses currently and for the past five years by attempting to contact through written letter, telephone calls or personal visits to past employers listed on the application and through ownership documentation such copies of partnership agreements, stock certificates, or IRS tax returns;

(c) Obtain the applicant's driving record by using the applicant's drivers license number to contact appropriate state governmental departments;

(d) Ascertain character information about the applicant by contacting the personal references identified in the application;

(e) Inquire into existing or previous business relationships the applicant has had with Indian tribes, including the scope of those relationships, by contacting those entities identified in the application if such contact would not jeopardize the applicant's current employment. Other state, federal and tribal entities should also be contacted where appropriate;

(f) Inquire into existing or previous business relationships the applicant has had in the gaming industry, including the scope of those relationships, by contacting those entities identified in the application if such contact would not jeopardize the applicant's current employment. Other state, federal and tribal entities should also be contacted where appropriate;

(g) Verify the applicant's history and status with any licensing agency identified by the applicant;

(h) Obtain information regarding any past felonies, misdemeanors, or criminal charges in the last ten years by contacting appropriate courts and law enforcement agencies in the applicant's area of residence; and

(i) Obtain any other information that the Tribal Council deems relevant to complete a thorough background investigation.

004. Preparation of Investigative Reports

(a) The Tribal Council shall through hired staff or through contracting with qualified individuals document the disposition of all potential problem areas noted and disqualifying information obtained, as to each applicant.

(b) The Tribal Council shall through hired staff or through contracting with qualified individuals shall cause an Investigative Report be prepared as to each applicant setting forth, at a minimum: (I) steps taken in conducting the background investigation; (ii) results obtained; (iii) conclusions reached; and (iv) the basis for those conclusions.

005. Reporting to the NIGC

(a) The Tribal Council shall through hired staff or through contracting with qualified individuals report the results of each background investigation to the National Indian Gaming Commission, in compliance with its regulations and procedures as they may be amended from time to time.

(b) The Tribal Council shall reconsider any application that the NIGC reports to the Tribe as recommended to be not suitable pursuant to tribal and/or federal law.

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Enclosures

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EXHIBIT B. Tribal Resolution #03-28-97-15 authorizing Gaming Code

EXHIBIT C. Rules Governing Background Checks of Primary Management Officials and Key Employees, formally adopted by the Tribal Council, pursuant to Tribal Resolution #11-26-97-60.

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TO

P.012

**MEMORANDUM OF UNDERSTANDING
REGARDING THE DISSEMINATION OF CRIMINAL HISTORY RECORD
INFORMATION BY THE NATIONAL INDIAN GAMING COMMISSION**

In order to facilitate the undersigned tribe (Tribe) in determining the suitability of individuals who have applied for employment as key employees and primary management officials in its gaming operations, the National Indian Gaming Commission (NIGC) will be obtaining criminal history record information (CHRI) from the Federal Bureau of Investigation (FBI) on these individuals and disseminating such information to the Tribe.

This memorandum sets forth the following conditions under which the NIGC will provide CHRI to the Tribe:

1. The FBI has retained the right to approve the dissemination of CHRI and may at some future date prohibit the NIGC from disseminating CHRI. It is understood by the Tribe that the NIGC will not release any information without having received all required prior approvals from the FBI and will not release any information where prohibited from doing so by the FBI. It is further understood that the FBI may impose restrictions on the release and use of the CHRI in addition to those imposed by the NIGC and that the Tribe will be subject to all such additional restrictions.
2. The CHRI provided by the NIGC may be used by the Tribe solely for the purpose of determining a particular applicant's suitability for employment in the Tribe's gaming operation(s).
3. NIGC responses will only contain CHRI information on a particular applicant and will not contain recommendations or conclusions of the NIGC. The NIGC reserves the right to furnish to the Tribe summary memoranda containing the results of the information search of the criminal history records maintained by the FBI.
4. CHRI provided to the Tribe shall be afforded proper security. The Tribe shall ensure that access to all CHRI furnished by the NIGC, including all summary memoranda, is restricted to personnel directly involved in licensing deliberations. The Tribe shall maintain records of the identities of all persons receiving access to the CHRI and such records shall be furnished to the NIGC upon request.

5. Except in connection with proceedings related to the Tribe's licensing determinations for gaming employees, neither the CHRI nor any summary memoranda furnished by the NIGC shall be reproduced, disseminated, or introduced in a court of law or administrative hearing, without the prior written consent of the NIGC.

6. Employees, past and present, of the NIGC will not be called as witnesses to testify relative to CHRI disseminated to the Tribe before any Tribal court or in any Tribal administrative hearings, except in extraordinary circumstances to be determined by the NIGC.

7. Any request for access to the provided CHRI by the individual who is the subject of the CHRI shall be referred to the NIGC for processing and an appropriate response pursuant to the Freedom of Information and Privacy Acts (Title 5, USC, Section 552 and 552a).

8. Tribal authorities will be promptly notified in the event that the NIGC determines that it is necessary to discontinue providing CHRI information to the Tribe (either in whole or in part) due to the Tribe's failure to comply with the conditions set forth in this memorandum.

The Tribe acknowledges and consents to the above-stated conditions on this 26th day of November 1997.

Shoalwater Bay Tribe
Tribe

Robert Marshall
Authorized Tribal Official

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SHOALWATER BAY INDIAN TRIBE

GAMING

RULES GOVERNING THE ISSUANCE OF TRIBAL LICENSES TO PRIMARY MANAGEMENT OFFICIALS & KEY EMPLOYEES

The Shoalwater Bay Tribal Council hereby establishes and implements the following rules and regulations governing the issuance of licenses to primary management officials and key employees in accordance with the Shoalwater Bay Indian Tribe Class II and Class III Gaming Code.

001. Granting of a License -Majority Vote.

To approve of any license issued pursuant to the Gaming Code, a quorum of the Council must be present with a majority vote of approval by said quorum required. A license will not be issued to a person whose license has previously been revoked pursuant to this Code, or to whom the issuance of renewal of a license has been denied, except with majority approval of the Council members.

002. Application Fee

The Commission shall set a fee for applications, background investigations, and licenses. All such fees shall be made payable to the Shoalwater Bay Indian Tribe and delivered to the Tribe's accounting office.

.003 Background Investigation

No license shall be granted to any person or entity who has been determined to be a person or entity whose prior activities, criminal record, if any, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto. The background investigation shall be at least as stringent as the regulations of the National Indian Gaming Commission published as 25 CFR § 556 in the Federal Register, volume 58, no. 13, on Friday, January 22, 1993.

004. Failure of Applicant To Disclose Material Information

An applicant for licensing shall make true and full disclosure of all information to the Council as necessary or appropriate in the public interest or as required in order to carry out the policies of this Tribe relating to licensing and control of the gaming industry. It is the duty of the applicant to disclose all information material to whether his involvement with gaming would jeopardize or compromise the Tribal interest, whether or not the applicant has been specifically requested to provide that information. It shall be deemed a violation of tribal law, including the Gaming Code, to fail to disclose, to mislead or to misstate any such material information to the Council, or to any licensee's employer.

Page 1

Shoalwater Bay - Gaming
Rules for Background Checks

005. Temporary Employment Licenses

The Council may issue a temporary employment license to any person or entity applying for a license to work in a licensed gaming establishment which shall be valid pending the background investigation of the applicant. In no event shall such temporary license be valid for greater than 180 days.

006. Parameters of Licensee

Violation of any provision of the Gaming Code, or rules promulgated pursuant or enacted to implement the Gaming Code by a licensee, his agent, or employee shall be deemed contrary to the public health, safety, morals, good order and general welfare of the Shoalwater Bay Tribe and the inhabitants of the Tribe's Reservation, and shall be deemed grounds for refusing to grant or renew a license, suspension or revocation of a license, or shall be grounds for the filing of charges by the Council. Acceptance of a gaming license or the renewal; thereof, or condition imposed thereon, by a licensee, constitutes an agreement on the part of the licensee to be bound by all the regulations and conditions of the Council and by the provisions of the Gaming Code as the same are now, or may hereafter be amended or promulgated, and to cooperate fully with the Council, and its hired staff of contracted individuals. It is the responsibility of the licensee to keep himself informed of the contents of all such rules, regulations, amendments, provisions and conditions, and ignorance thereof will not excuse violations. The Commission shall use reasonable efforts to notify all licensees of changes in regulations.

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EXHIBIT G. Designation of Agent formally adopted by the Tribal Council, pursuant to Tribal Resolution #11-26-97-60

EXHIBIT H. Tribal Resolution #11-26-97-60

SHOALWATER BAY INDIAN TRIBE

GAMING

**RULES IMPLEMENTING PROCEDURES FOR RESOLVING DISPUTES BETWEEN
THE GAMING PUBLIC AND THE SHOALWATER BAY INDIAN TRIBE**

The Shoalwater Bay Tribal Council hereby establishes and implements the following rules implementing procedures for the resolution of disputes between the gaming public and tribal gaming operations, in accordance with the Shoalwater Bay Indian Tribe Class II and Class III Gaming Code.

001. Reference to Shift Supervisor

When a patron brings a dispute to an employee, the employee shall refer the patron to the Shift Supervisor. The Shift Supervisor shall make all reasonable efforts to resolve promptly, the dispute to the satisfaction of the patron.

002. Provide Patron With Written Notice of Procedures

If the patron is not satisfied with the decisions of the Shift Supervisor, the patron shall be provided with a written "Customer Concern Form," a copy of which is attached. Further, the Customer shall be provided a card that is 2.5" x 3.5" which states:

Any customer may request a determination of a dispute involving the conduct of a game or any other matter involving gaming on Indian lands of the Shoalwater Bay Indian Tribe by submitting in writing, the details of your dispute to the Casino Manager. If the determination is still not satisfactory after review and action taken by the Casino Manager, a written statement of the dispute may be forwarded to the Shoalwater Bay Tribal Council, or its designated subcommittee at the following address:

P.O. Box 130
Tokeland, Washington 98590

Please mark your mailing "Gaming Dispute"

The decision of the Tribal Council will be final.

.003 Action by Casino Manager

The Customer Concern Form shall be submitted to the Casino Manager, who shall review it and take whatever corrective action he/she deems appropriate, and if reasonably possible, the Casino Manager shall notify the customer of the action taken, and record whether the customer is satisfied

or dissatisfied with the decision.

.004 Submission to the Tribal Council or its Designated Subcommittee

If the customer is dissatisfied with the decision of the Casino Manager, a written statement of the dispute may be forwarded to the Tribal Council, or its designated subcommittee. The Council, or its designated subcommittee shall review and if a majority of the Council, or its designated subcommittee believes that the decision of the Casino Manager was not reasonable, the Council or its designated subcommittee shall take corrective action as it deems appropriate, so long as such action is otherwise in compliance with the Gaming Code. Unless the customer is entitled to or seeks a hearing pursuant to rule 005, below, the decision of the Council is final.

005. Hearing Available if Customer Alleges Deprivation of Winnings

If the customer is not satisfied with the initial decision of the Council, or its designated subcommittee, and the customer alleges that he/she has been deprived of winnings that belong to him or her, the customer may seek a full hearing before the Tribal Council and present any facts or arguments he/she wishes to offer to the Council. The Casino Manager shall cooperate in making any relevant tapes or documents available to the Council. The Council may, in its discretion, determine that such tapes or documents be reviewed in camera. The decision of the Tribal Council is final.

006. Records of "Customer Concern Forms"

All "Customer Concern Forms" shall be recorded and maintained by the gaming operation for period not less than three years.

007. Corrective Action Must Comply With Law

Nothing herein shall be interpreted to enable any gaming employee, or agent of the Tribe to take any corrective action that contravenes tribal or federal law.

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CUSTOMER CONCERN FORM

CUSTOMER NAME: _____ DATE: _____

ADDRESS: _____ PHONE: _____

DEPARTMENT INVOLVED: _____

CONCERN/COMPLAINT: _____

CORRECTIVE ACTION TAKEN: _____

CUSTOMER WAS: ___ SATISFIED ___ DISSATISFIED

EMPLOYEE INVOLVED (IF NECESSARY): _____

SUPERVISOR INVOLVED: _____

PROPERTY SHIFT MANAGER: _____

ORIGINAL: DEPARTMENT DIRECTOR

Enclosures

EXHIBIT A. Certified copy of the Shoalwater Bay Indian Tribe Class II & III Gaming Code

EXHIBIT B. Tribal Resolution #03-28-97-15 authorizing Gaming Code

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SHOALWATER BAY INDIAN TRIBE

GAMING

DESIGNATION OF AGENT FOR SERVICE OF PROCESS

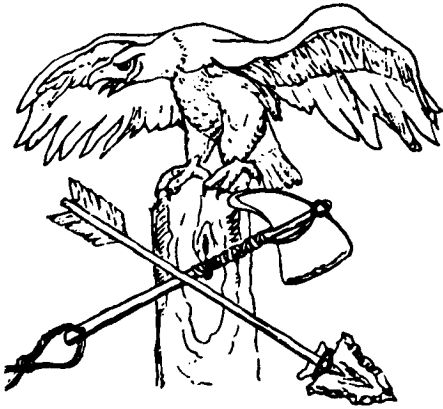
The designated agent for the Shoalwater Bay Indian Tribe for service of process in matters relating to the National Indian Gaming Commission, as required for in 25 CFR §522.2(g), and referenced in 25 CFR § 519.1, of the regulations promulgated by the National Indian Gaming Commission, is

Herbert Mark Whitish, Chairman
Shoalwater Bay Indian Tribe
2373 Old Tokeland Highway
P.O. Box 130
Tokeland, Washington 98590

If verbal or fax communication is required, Mr. Whitish can be reached by phone at 360 267 6766 or by fax transmission at 360 267 6778. If the matter is an emergency and Mr. Whitish cannot be reached, please contact Carol Johnson at these same numbers or contact the Tribe's legal counsel of gaming issues, Crowell Law Offices at 425 828 9070.

Enclosures

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- EXHIBIT B.** Tribal Resolution #03-28-97-15 authorizing Gaming Code
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SHOALWATER BAY INDIAN TRIBE

P.O. Box 130 • Tokeland, Washington 98590
Telephone (360) 267-6766 • FAX (360) 267-6778

SHOALWATER BAY INDIAN TRIBE RESOLUTION #11-26-97- 60

WHEREAS, the Shoalwater Bay Indian Tribe is a Federally Recognized Tribe headquartered on the Shoalwater Bay Indian Reservation in the State of Washington; and

WHEREAS, the Shoalwater Bay Tribal Council is the governing body of the Shoalwater Bay Indian Tribe in accordance with their Constitution and By-laws; and

WHEREAS, the Shoalwater Bay Tribal Council has been charged with the responsibility of promoting the social, health, and economic well-being of the Shoalwater Bay people; and

WHEREAS, The Shoalwater Bay Indian Tribe has pursuant to Tribal Resolution #03-28-97-15 has enacted and adopted the Shoalwater Bay Indian Tribe Class II and III Gaming Code; and

WHEREAS, the fulfillment of the obligations under that Ordinance and the regulations promulgated by the National Indian Gaming Commission requires that this Council take certain actions; and

WHEREAS, the actions taken below are in the best interests of the Tribe and its members;

NOW THEREFORE BE IT RESOLVED, That the Shoalwater Bay Tribe does hereby enact, adopt and implement the following, full copies of which are attached and incorporated herein:

- I. Rules Governing the Issuance of Tribal Licenses to Primary Management Officials and Key Employees**
- II. Rules Governing Background Checks of Primary Management Officials and Key Employees**
- III. Rules implementing Procedures for Resolving disputes between the gaming public and The Shoalwater Bay Indian Tribe**

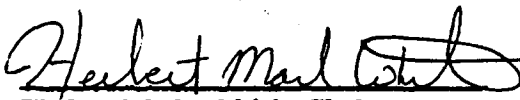
FURTHER BE IT RESOLVED, that the Council hereby agrees to the terms of, and authorizes and directs Chairman Whitish to execute, the Memorandum of Understanding Regarding the Dissemination of Criminal History Record Information By The National Indian Gaming, a copy of which is attached and incorporated herein.

FURTHER BE IT RESOLVED, that the Council hereby designates Chairman Herbert Mark Whitish as the Designated Agent for Service of Process for communications with the National Indian Gaming Commission, and authorizes that the attached "Designation" be executed and forwarded to the National Indian Gaming Commission. And

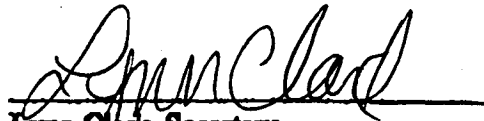
FINALLY BE IT RESOLVED, that Chairman Whitish cause these materials to be forwarded to the National Indian Gaming Commission, together with the Gaming Code and a copy of its authorizing Resolution, certified as authentic, all together with a cover letter noting that these materials comprise a complete submission of those required for the NIGC to formally approve the Tribe's Gaming Code.

CERTIFICATION

This Resolution was passed at a Tribal Council Meeting held November 26, 1997 at the Shoalwater Bay Tribal Center at which a quorum was present 4 FOR 0 AGAINST AND 0 ABSTAIN.



Herbert Mark Whitish, Chairman
Shoalwater Bay Tribal Council



Lynn Clark, Secretary
Shoalwater Bay Tribal Council