



October 27, 1999

Kevin Day
Tribal Chairman
Tuolumne Band of Me-Wuk Indians
Tuolumne Rancheria
P.O. Box 699
Tuolumne, CA 95379

Dear Mr. Day:

This letter is in response to your request for review and approval of the Tuolumne Band of Me-Wuk Indian's (Tribe) Gaming Act of 1999 (Res. No. 00-99-64). 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. Approval does not constitute approval of specific games. It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

The Tribal Gaming Commission is 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, pursuant to 25 C.F.R. § 556.5(b), before the Tribal Gaming Commission issues a license to a key employee or primary management official.

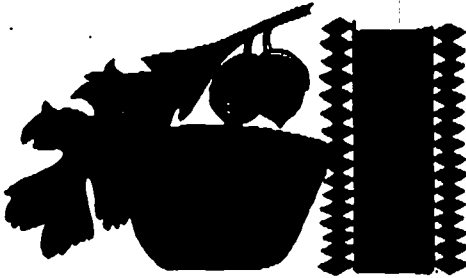
Thank you for submitting the ordinance for review and approval. The NIGC staff and I look forward to working with you and the Tuolumne Band of Me-Wuk Indians on future gaming issues.

Sincerely yours,

A handwritten signature in black ink, appearing to be "MS" or similar initials.

Montie R. Deer
Chairman

cc: Mary L. Prevost, Tribal Attorney



TUOLUMNE ME-WUK TRIBAL COUNCIL

Post Office Box 699
TUOLUMNE, CALIFORNIA 95379

Telephone (209) 928-3475
Fax (209) 928-1677

Rec'd 10/08/99

TUOLUMNE BAND OF ME-WUK INDIANS CERTIFICATE OF RESOLUTION Resolution No. 00-99-64

Date: September 30, 1999

WHEREAS: The Tuolumne Band of Me-Wuk Indians is a federally recognized sovereign Indian Tribe recognized by the Secretary of the Interior as having jurisdiction over Indian lands in California which are eligible for gaming under the Indian Gaming Regulatory Act; and

WHEREAS: The Tribal Constitution, Article III, provides that the Tribal Community Council, which is comprised of all qualified voters of the Tribe, is the governing body of the Tuolumne Band of Me-Wuk Indians; and

WHEREAS: The Tribal Community Council, at a duly constituted meeting held on September 30, 1999, considered the attached Tuolumne Gaming Act and the Gaming License and Background Investigation Procedures prepared in compliance with the Indian Gaming Regulatory Act of 1988; and

WHEREAS: The Tribal Community Council has determined that the best interests and welfare of the Tribe would be served by adopting the said Gaming Act and Regulations, and hereby approves their adoption.

NOW THEREFORE, BE IT RESOLVED, that the Tuolumne Band of Me-Wuk Indians hereby adopts the Tuolumne Gaming Act and the Gaming License and Background Investigation Procedures and directs the Tribe's Gaming Committee to seek approval for such from the National Indian Gaming Commission.


CERTIFICATION

The undersigned Tribal Chairman and Tribal Secretary hereby certify that on September 30, 1999 at 6:30 p.m., at a duly constituted meeting of the Tribal Community Council of the Tuolumne Band of Me-Wuk Indians at which a quorum was present, the foregoing Resolution was adopted by a vote of 27 for, 1 against, and 0 abstaining, and that said Resolution has not been rescinded or amended in any way.



Kevin A. Day, Tribal Chairman

Dated: September 30, 1999

Attest: 

Lori Foster, Tribal Secretary

Dated: September 30, 1999

2000-10-01 (19)

TUOLUMNE BAND OF ME-WUK INDIANS

TUOLUMNE GAMING ACT

The Tuolumne Band of Me-Wuk Indians, a federally recognized Indian Tribe ("Tribe"), hereby enacts the following Ordinance to govern gaming activities on Tuolumne Tribal Lands. The Ordinance shall be known as the Tuolumne Gaming Act ("Gaming Act"). This Gaming Act and any regulations promulgated thereunder shall constitute the entire gaming regulations for the Tribe.

Section 1. Findings and Policy.

This Gaming Act is adopted by the Tuolumne Community Council, pursuant to its authority under the Tribe's Constitution, for the purpose of establishing the terms for gaming on Tuolumne tribal lands for tribal governmental and charitable purposes, and to develop and operate such gaming consistent with the findings herein and in conformity with the federal Indian Gaming Regulatory Act (25 U.S.C. § 2701 et seq. ("IGRA")) and regulations promulgated thereunder, as well as other applicable laws.

The Tribe finds that:

1.1 Gaming on its tribal lands is a valuable means of generating revenues that are needed for economic development, to promote Tribal self-sufficiency, economic development, employment, job training, and a strong tribal government, and to fund and ensure essential social programs and services;

1.2 The Tribe desires to conduct certain forms of gaming to provide needed revenues to the Tribe, and to regulate and control such gaming in a manner that will protect the environment, the Tribe's reservation, the health, security and general welfare of the Tribe, the players, and the community; and

1.3 The Tribe desires to own all gaming on tribal lands, and to manage and regulate such gaming in a manner that will adequately address such special interests and needs of the Tribe.

Section 2. Definitions.

Unless specified otherwise, terms used herein shall have the same meaning as in IGRA, including but not limited to references to "Net Revenues," "Class I", "Class II", and "Class III"

gaming, except for references to “Commissioners”, “Commission”, or “Gaming Commission”, which shall mean the Tuolumne Gaming Commission or its Commissioners, established and described herein.

2.1 “Applicant” means an individual or entity that applies for a tribal license or certification.

2.2 “Closely associated independent contractor” shall mean any contractor that shares common ownership, officers or directors with any management principal or person related thereto.

2.3 “Community Council” shall mean the governing body of the Tribe, as set forth in the Tribe’s Constitution and Bylaws.

2.4 “Gaming” shall mean an activity in which a person stakes or risks something of value on the outcome of a contest of chance or a future contingent event, not under his or her control or influence, upon an agreement or understanding that the person, or someone else, will receive something of value in the event of a certain outcome, but shall not include bona fide business transactions.

2.5 “Gaming Activities” shall mean any class I, class II, or class III gaming activity conducted by or under the jurisdiction of the Tribe.

2.6 “Gaming Commission” or “Tribal Gaming Agency” shall mean the Tuolumne Gaming Commission as established herein under tribal law and including, but not limited to, an inter-tribal gaming regulatory agency fully approved to fulfill such functions, and designated responsibility for carrying out the Tribe’s regulatory responsibilities under IGRA and this Gaming Act, and including the duties and responsibilities set forth in any Gaming Compact adopted by the Tribe.

2.7 “Gaming Compact” or “Compact” shall mean a class III tribal-state gaming compact adopted by the Tribe to govern the conduct of certain Gaming Activities on Tribal Lands.

2.8 “Gaming Contractor” shall mean any person or entity that supplies gaming devices or other gaming equipment, personnel, or services (including gaming management or consulting services) to any gaming activity or enterprise, and includes such Gaming Resource Suppliers as defined in a Gaming Compact adopted by the Tribe.

2.9 “Gaming Employee” shall mean any person who operates, maintains, repairs, assists in, or is in any way responsible for supervising gaming activities or persons who conduct, operate, account for, or supervise any gaming activity, is in a category under federal or tribal

gaming law or an applicable Gaming Compact requiring licensing, or is a person whose employment duties require or authorize access to areas of the gaming facility which are not open to the public. In defining those categories of persons who are required to be licensed under tribal gaming law, the Tribe shall include those persons who are required to be licensed pursuant to an applicable Gaming Compact.

2.10 “Gaming Enterprise” shall mean any gaming business, event, enterprise or activity conducted by or under the jurisdiction of the Tribe.

2.11 “Gaming Facility” shall mean any building or room in which class III gaming activities or gaming operations occur, or in which the business records, receipts or other funds of the gaming operation are maintained (but excluding offsite facilities primarily dedicated to storage of such records, and financial institutions), and all rooms, buildings and areas, including parking lots, walkways and means of ingress and egress associated therewith, provided that nothing herein shall prevent the conduct of class II gaming (as defined under IGRA) therein.

2.12 “Gaming Resources” shall mean any goods or services used in connection with gaming activities, including, but not limited to, equipment, furniture, gambling devices and ancillary equipment, implements of gaming activities such as playing cards and dice, furniture designed primarily for gaming activities, maintenance or security equipment and services, gaming consulting services, and the like. The term shall not include professional accounting or legal services.

2.13 “Immediate Family” or “Related to” shall mean persons who are the subject individual’s spouse, parents, siblings, and children (either adopted or biological).

2.14 “Key Employee” shall mean a person who performs one or more of the following functions: bingo caller, counting room supervisor, chief of security, custodian of gaming supplies or cash, floor manager, pit boss, dealer, croupier, approver of credit, or custodian of gaming devices including those persons with access to cash and accounting records within such devices. If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year, and the four most highly compensated persons in the gaming enterprise are included in the definition of key employees. At the discretion of the Gaming Commission, other positions or persons may be included under and subject to the requirements for key employees.

2.15 “National Indian Gaming Commission” (“NIGC”) shall mean the commission established under IGRA.

2.16 “Person” shall mean any natural person or entity, including but not limited to corporations, partnerships and trusts.

2.17 “Primary Management Official” shall mean the person who has management responsibility for a management contract; any person who has authority to hire and fire employees or to set up working policy for the gaming enterprise; any chief financial officer or other person who has financial management responsibility. At the discretion of the Gaming Commission, other positions or persons may be included under and subject to the requirements for primary management officials.

2.18 “State” shall mean the State of California.

2.19 “State Gaming Agency” shall mean the person, agency, board, or commission, or official which the State duly authorized to fulfill the functions assigned to it under an applicable Gaming Compact. If the State fails, under a Gaming Compact provision, to designate an agency authorized to investigate, approve, and regulate gaming licenses, any function otherwise assigned to the State Gaming Agency shall be assumed by the Tribal Gaming Agency until such time as the State establishes and designates such an agency.

2.20 “Tribal Chairperson” shall mean the person duly elected or selected under the Tribe’s organic documents, customs, or traditions to serve as the primary spokesperson for the Tribe.

2.21 “Tribal Court” shall mean any court established by the Tribe to hear disputes or, if there is none, the Community Council.

2.22 “Tribal Lands” shall mean those lands on which the Tribe is authorized to conduct gaming under IGRA.

2.23 “Tribal Member” shall mean any duly enrolled member of the Tribe.

Section 3. Ownership of Gaming.

The Tribe shall have the sole proprietary interest in and responsibility for the conduct of any gaming operation authorized by this Gaming Act, except to the extent the Tribe may contract with and license a person or entity to own, operate or manage the enterprise pursuant to the provisions of IGRA or as otherwise permitted by law.

Section 4. Gaming Commission.

4.1 Establishment of Gaming Commission. There is established by the Tribe hereby a Commission, acting under the authority of the Tribe, to be known as the Tuolumne Gaming Commission. The Gaming Commission shall be composed of three (3) members of the Tribe, all

of whom shall be appointed by the Community Council. Gaming Commissioners must meet the qualifications established under this Gaming Act and any Gaming Compact adopted by the Tribe.

4.2 Disqualifications for Office. The following persons may not serve as Commissioners:

4.2.1 Persons employed in or in connection with the management, supervision, or conduct of any Gaming Activity on Tribal Lands;

4.2.2 Persons related to any gaming contractor (including any principal thereof or closely associated independent contractor);

4.2.3 Persons who would not be eligible to be officers of the Tribe pursuant to the Tribe's Articles and Bylaws;

4.2.4 Unless specifically provided herein, officers of the Tribe pursuant to the Tribe's Articles and Bylaws are not eligible to serve on the Gaming Commission during their term.

4.3 Terms of Office. The Commissioners shall serve for three (3) year terms, except that immediately after enactment of this Gaming Act two (2) of the Commissioners shall serve for three (3) years, and one (1) Commissioner shall serve for two (2) years. Commissioners may serve for more than one term.

4.4 Removal from Office. Commissioners may only be removed from office before the expiration of their terms by the Community Council for neglect of duty, malfeasance or other good cause shown. The procedure for removing a Commissioner shall be the same as for removing an officer of the Tribe.

4.5 Quorum. Two (2) members of the Gaming Commission shall constitute a quorum.

4.6 Officers and Duties. The Gaming Commission shall select, by majority vote, a Chairman, Vice-Chairman and Secretary. The Chairman shall preside over meetings of the Gaming Commission and the Vice-Chairman shall preside in absence of the Chairman. The Secretary shall record in writing the minutes of all Gaming Commission meetings and all official actions taken by the Gaming Commission.

4.7 Voting. All actions of the Gaming Commission shall be taken by majority vote. The Commission Chairperson may vote on any issue.

4.8 Meetings. Meetings shall be held at least once per month, on the second Monday of the month at 6:00 p.m. at the Tribe's primary meeting facility ("Scheduled Meetings"). Any

tribal member may attend Scheduled Meetings. Scheduled Meetings may be changed at any time by the Gaming Commission, with notice of such change posted prominently at least five (5) business days in advance at the Office of the Gaming Commission. Additional meetings shall be held as called by the Chairman or by at least two (2) other Commissioners. Notice of meetings shall be given in writing to each Commissioner, served by first class mail or personal delivery at least three (3) business days prior to such meeting; however, meetings may be called at any time, by any means, with unanimous consent of the Commissioners. All Commission discussions, deliberations, and votes taken regarding specific license applications and related background investigations, or any other investigations, and any other matter the Commission deems must be kept confidential in order to preserve the integrity of the Gaming Enterprise or the Tribe or to protect the privacy of the applicant, shall be held in executive session.

4.9 Compensation for Serving; Fringe Benefits; Reimbursement of Expenses.

Commissioners may be compensated for serving on the Commission at rates to be set by the Tribe. Such rates shall be approved by the Tribe or through the Gaming Commission budget process and shall be identical for all Commissioners. Step increases may be allowed based on length of service. Commissioners may be entitled, at the discretion of the Tribe, to receive fringe benefits which are available to other employees of the Tribe to the extent the provider of such benefits qualifies Gaming Commission positions for such benefits. Subject to approval by the Tribe and in accordance with its procedures, Commissioners shall be reimbursed for expenses incurred in connection with the performance of their Gaming Commission duties.

4.10 Powers and Duties.

The Gaming Commission shall have the power, duty, and primary responsibility to carry out the Tribe's regulatory responsibilities under federal or tribal law and any applicable gaming compact; to enforce those requirements; and to protect the integrity of the gaming activities and the reputation of the Tribe and the gaming operation for honesty, fairness, and confidence of patrons, under provisions to include the following:

4.10.1 Inspect, examine and monitor Gaming Activities and gaming facilities, including the power to demand access to and inspect, examine, photocopy and audit all papers, books and records respecting such.

4.10.2 Investigate any suspicion of wrongdoing or violations in connection with any Gaming Activities, and require correction of violations at the Gaming Commission deemed necessary, including establishing and imposing fines or other sanctions against licensees or other persons who interfere with or violate the Tribe's gaming regulatory requirements under applicable federal or tribal law or Gaming Compact.

4.10.3 Conduct, or cause to be conducted, such investigations in connection with any Gaming Activity as may be necessary to determine compliance with law, including this

Gaming Act, or with any contracts, agreements, goods, services, events, incidents, or other matters related to the Gaming Activities.

4.10.4 Conduct, or cause to be conducted, background investigations regarding any person in any way connected with any Gaming Activities and issue licenses to, at minimum, all Key Employees and Primary Management Officials according to requirements at least as stringent as those in 25 C.F.R. parts 556 and 558, as well as any employees, investors, contractors, or others required to be licensed under standards established by the Gaming Act, IGRA, or an applicable Gaming Compact.

4.10.5 Hold such hearings, sit and act at such times and places, summon persons on tribal lands to attend and testify at such hearings, take such testimony, and receive such evidence as the Gaming Commission deems relevant in fulfilling its duties.

4.10.6 Administer oaths or affirmations to witnesses appearing before the Gaming Commission.

4.10.7 Implement and administer a system for investigating, licensing, monitoring, reviewing, and license renewal for the gaming facility, employees, gaming contractors and vendors, suppliers, investors, and others connected with Gaming Activities, as described below, including the issuance of licenses to gaming facilities, individuals and entities as required under this Gaming Act, IGRA, or any applicable Gaming Compact;

4.10.8 Hear disputes against the gaming establishment, in accordance with the procedures established in this Gaming Act or any applicable Gaming Compact.

4.10.9 Hire such staff and support services as deemed necessary, subject to a budget approved by the Tribe.

4.10.10 To the extent required, comply with any reporting requirements established under this Gaming Act, a Gaming Compact to which the Tribe is a party, or other applicable law, including the IGRA.

4.10.11 Issue such regulations as it deems appropriate in order to implement the provisions of this Gaming Act, IGRA, or any applicable Gaming Compact, and to promulgate rules and regulations for operation and management and ensure their effective enforcement in areas including: enforcement of relevant laws and rules; conduct of hearings and investigations; physical safety of patrons, employees, and other persons in the gaming facility; physical safeguarding of assets; prevention of illegal activity within the facility or in respect to the gaming operation including employee procedures and surveillance systems; detention of persons who may be involved in illegal acts for notification of law enforcement authorities; recording of any and all occurrences within the gaming facility; detection of employee theft, cheating or fraud;

listing of persons barred from the gaming facility; conduct of audits; submission, approval, and maintenance of class III game rules; maintenance and approval of surveillance system consistent with industry standards; cashier's cage maintenance consistent with industry standards; staffing and supervisory requirements; and technical standards for operation of gaming terminals and other games consistent with gaming testing laboratory standards.

4.10.12 Establish and impose license fees, sanctions, fines, and conditions, and renew licenses; deny, suspend or revoke licenses; and issue temporary or conditional licenses as appropriate under the provisions of this Gaming Act, IGRA, or an applicable Gaming Compact.

4.10.13 Investigate and report violations and compliance failures as required under this Gaming Act, IGRA, or a Gaming Compact.

4.10.14 Investigate and assure compliance with any requirements for tribal ownership, management, and control of the gaming facility and gaming operation, as set forth in tribal or federal law or an applicable Gaming Compact.

4.10.15 Investigate and assure compliance with age restrictions for patrons including provisions prohibiting minors in the gaming facility and age limits on service of alcoholic beverages as provided under applicable law.

4.10.16 Issue identification cards or badges to those persons required to be licensed and require such cards or badges to be worn at all times while in the gaming facility.

4.10.17 Review and monitor gaming facilities on Tribal Lands, issue certifications, and assure gaming facility compliance with any inspection and licensing requirements under federal or tribal law, and any applicable Gaming Compact.

4.10.18 Carry out any requirements under tribal or federal law or applicable Gaming Compact for the protection of the health and safety of gaming facility patrons, guests, and employees, including requirements that gaming facilities meet building and safety codes duly adopted by the Tribe.

4.10.19 Monitor and direct inspections by qualified building and safety experts to review and determine compliance with such requirements for gaming facility licensing and certification.

4.10.20 Carry out such other duties with respect to Gaming Activities on Tribal Lands as this Gaming Act, IGRA, or any applicable Gaming Compact shall direct.

4.11 Annual Reports. On or before February 15 of each year, the Gaming Commission shall provide to the Tribal Council an Annual Report summarizing its activities during the prior

twelve (12) month period ending on December 31, and accounting for all receipts and disbursements. The Community Council shall cause copies of the Annual Report to be made available to the tribal membership within thirty (30) days after receipt.

Section 5. Permitted Gaming Activities.

5.1 Unauthorized Gaming Prohibited. All gaming activities on the reservation (whether class I, II or III) are prohibited except as expressly authorized under this Gaming Act.

5.1.1 Class I Gaming. Class I gaming activities are hereby permitted to the extent consistent with tribal custom and practice. The Gaming Commission may prohibit and prevent any conduct which is claimed to be class I gaming if the Tribe finds that such conduct is not in accordance with tribal customs or practices or violates IGRA or other applicable law.

5.1.2 Class II and Class III Gaming. Class II and class III gaming on Tribal Lands is hereby authorized, provided the Tribe has the sole proprietary interest in and responsibility for the conduct of any gaming enterprise, or to the extent the Tribe may contract with and license a person or entity to own, operate or manage the enterprise pursuant to the provisions of IGRA or as otherwise permitted by law. Nothing herein shall prohibit the Tribe from engaging the services of non-tribal persons as employees thereof or engaging any person or entity to assist the Tribe in the management of a gaming activity pursuant to a management agreement entered into under the provisions of IGRA. Class III gaming shall be conducted in accordance with any applicable Gaming Compact, or any alternative thereto as provided by IGRA.

Section 6. Gaming Revenues.

6.1 Tribal Property. Except as provided for under the terms of an agreement pursuant to the provisions of IGRA or as otherwise permitted by law, all revenues generated from any class II or class III gaming activity are the property of the Tribe. Any profits or net revenues from gaming activities shall be deposited into the Tribe's general treasury. Once becoming part of the treasury such funds shall lose any identity as gaming revenues except to the extent necessary to identify them as such in order to comply with applicable law. No tribal member shall be deemed to have any interest in such profits or net revenues, provided that the Tribe may adopt rules for distributing gaming proceeds to tribal members on a per capita basis provided such plan meets the requirements of IGRA, 25 U.S.C. § 2710 (b) (3). Payments from the general treasury funds to tribal members under other tribal programs, including those related to health, welfare, education, elderly care, and housing, shall not be deemed to be "per capita" payments.

6.2 Use of Net Revenues. Net revenues from gaming activities shall not be used for purposes other than:

- 6.2.1 To fund Tribal government operations or programs;
- 6.2.2 To provide for the general welfare of the Tribe and its Members;
- 6.2.3 To promote economic development for the Tribe;
- 6.2.4 To donate to charitable organizations; or
- 6.2.5 To help fund operations of local government agencies.

Section 7. Operation of Gaming Establishments.

7.1 Gaming Permitted as Licensed. Except to the extent authorized by an agreement pursuant to the provisions of IGRA or as otherwise permitted by law, Gaming Activities shall only be conducted in tribally owned, operated and licensed facilities pursuant to the provisions of this Gaming Act. Such activities shall be conducted in accordance with the terms and conditions of any license issued by the Gaming Commission for such purposes as to each facility before any Gaming Activities may occur therein. Such license investigation shall include the hours of operation, type and scope of gaming activities allowed therein, permitted uses of the facility for other activities, rules of conduct for employees and patrons, regulation of alcoholic beverages, food handling and entertainment, and such other matters as the Gaming Commission may deem necessary to the conduct of Gaming Activities therein.

7.2 Protection of Environment and Public. Construction or maintenance of any gaming facility, and the operation of gaming therein, shall be conducted in a manner which adequately protects the environment and the public health and safety.

7.3 Dispute Resolution. Patrons who have complaints against the gaming establishment shall have as their sole remedy the right to file a petition for relief with the Gaming Commission. For such purposes, disputes with any management contractor or its employees shall be made to the Gaming Commission, and such shall be the exclusive remedy for patron complaints. Complaints shall be submitted in writing and, at the discretion of the Gaming Commission, the petitioner may be allowed to present evidence. The Gaming Commission will render a decision in a timely fashion and all such decisions will be final when issued. Any patron having a claim against the gaming establishment or a management contractor or its employees must submit such claim to the Gaming Commission within thirty (30) days of its occurrence. All claims by patrons shall be limited to a maximum recovery of \$10,000 per occurrence, and a cumulative limit of \$20,000 per patron in any twelve (12) month period.

Section 8. Audits.

Annual Audits. Annual outside auditing by a recognized independent accounting firm shall be conducted of each gaming activity and the results thereof reported to the Tribal Members and, to the extent required by law, the Bureau of Indian Affairs and the National Indian Gaming Commission ("NIGC") or another entity.

Section 9. Audit Requirements.

All contracts for supplies, services, or concessions for a contract amount in excess of \$25,000 annually (except contracts for professional legal or accounting services) relating to class II or class III gaming on Tribal Lands shall be subject to independent audits, and such contracts shall so specify.

Section 10. Licenses.

10.1 Licensing Requirements. It is the declared policy of the Tribe that all gaming activities be licensed and controlled so as to protect the morals, good order and welfare of tribal members and other persons on Tribal Lands and to preserve the honesty, fairness and integrity of such gaming activities. Accordingly, no person shall engage in any class II or class III Gaming Activities on Tribal Lands without an appropriate and valid independent class II or class III license which meets the standards set forth in this Gaming Act, IGRA, and those established under any applicable Gaming Compact, and which license is issued by the Gaming Commission. Any gaming license, or finding of suitability or approval, which is issued by the Gaming Commission, shall be deemed a privilege subject to suspension or revocation. No license shall be issued that would place the Tribe in violation of an applicable law or Gaming Compact.

10.2 Burden on Applicant. The burden of proving an applicant's qualification to receive any license hereunder is at all times on the applicant. Applicants must accept any risk of adverse public notice, embarrassment or other action which may result from the application process and expressly waive any claim for damages as a result thereof.

10.3 Applicant Claim of Privilege. An applicant may claim any privilege afforded by law in connection with a gaming license application or investigation, but a claim of privilege with respect to any testimony or evidence pertaining thereto may constitute sufficient grounds for denial, suspension or revocation.

10.4 Release of Information. All persons applying for a license shall agree to release all information necessary in order for the Gaming Commission to achieve its goals under this

Gaming Act, and to furnish such information to the Bureau of Indian Affairs, the NIGC, or such other governmental agency as may be required by law or an applicable Gaming Compact.

10.5 Types of Licenses. Two classes of licenses (Class A and Class B) shall be issued to persons associated with gaming activities, and a facility license shall be issued to any facility where gaming activities are conducted on Tribal Lands. All licenses issued must be in compliance with the requirements of this Gaming Act, IGRA, and any applicable Gaming Compact. The Gaming Commission, in its sole discretion, may also require and issue a license to any person or entity associated with other tribal businesses that are not part of the gaming facility and not operated in conjunction therewith.

10.5.1 Class A Licenses. Before permitting any person to become permanently associated with any Gaming Activity as an investor or other person owning or controlling 10% or more of any interest in any management entity, or any primary management official, key employee, closely associated independent contractor, or other individual or entity with influence over the management or operation of the gaming, or a class II or III gaming employee, supplier, manufacturer or distributor, such person shall obtain a class A license. The Gaming Commission, in its sole discretion, is authorized to require persons employed in any gaming related position to hold a valid class A license. The Gaming Commission shall conduct or cause to be conducted a background investigation to determine if such person has:

10.5.1.1 Any criminal record or any reputation, prior activities, habits or associations which might pose a threat to the public interest or to the effective regulation of gaming;

10.5.1.2 Anything else in their background which might create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming.

Persons who do not meet the above qualifications shall be denied a Class A license.

10.5.2 Class B Licenses. Persons who are not among those identified in subsection 10.5.1 above, but are to be employed at a gaming facility on Tribal Lands in other gaming related positions or in non-gaming activities, shall be required to obtain a Class B license from the Gaming Commission. Such persons must establish that they have not been convicted of a crime, or engaged in any activity, which the Gaming Commission, in its sole discretion, deems would render such person a danger to the safety or integrity of the Gaming Activities or the safety or property of the Tribe, any tribal member, gaming employee, patron or the public.

10.5.3 Facility Licenses. Any tribal gaming facility shall be inspected, licensed, certified and monitored under the provisions of this Gaming Act, IGRA, and any applicable Gaming Compact.

10.5.4 Vendor Licenses. Vendors, suppliers, and other entities doing business with the gaming enterprise shall be required to obtain a license from the Gaming Commission under the process established in the Tuolumne Gaming License Regulations and Background Investigation Procedures. Vendor licenses shall meet all requirements of tribal and federal laws and regulations and any applicable Gaming Compact.

10.6 License Renewal. All Class A and Class B licenses shall be subject to renewal at least every two years, and more frequently if so required by the Gaming Commission or other applicable law or Gaming Compact. Such licenses may be revoked or suspended upon the occurrence of any act which, if known during the application process, would have tended to disqualify such person for such a license.

10.7 Temporary Licenses. Pending completion of an investigation for a license, temporary licenses of no more than ninety (90) days duration may be issued by the Gaming Commission if, in its sole discretion, it deems it appropriate to do so. Such licenses shall permit the licensee to engage in such activities and pursuant to such terms and conditions as may be specified by the Gaming Commission. Such temporary licenses shall expire ninety (90) days from date of issuance, upon issuance of a regular license, or until an established expiration date, whichever occurs first.

10.8 License Investigations. The Gaming Commission may employ all reasonable means, including engaging outside services and investigators, and convening hearings, to acquire the information necessary to determine whether or not a license should be issued. Applicants shall also agree to release all information necessary in order for the Gaming Commission to achieve its goals under this section and to furnish such information to the Gaming Commission, the NIGC or other federal agency, or such other agency as may be required by law or an applicable Gaming Compact.

10.9 License Fees. Unless specifically waived in advance by the Gaming Commission, all persons applying for a class A or B license shall be required to pay all applicable license fees and costs when due, including a reasonable deposit for costs incurred in obtaining information in connection with the license application. Estimates of licensing costs shall be provided to applicants within a reasonable period of time after a request is made. Unless otherwise provided for in advance, all fees and costs must be received by the Gaming Commission prior to issuance of the license.

10.10 Standards. All persons engaged by or associated with any gaming activity on Tribal Lands shall conduct themselves with honesty, integrity, and with such decorum and manners as may be necessary to reflect positively on the Tribe, its members and the Gaming Activities. Any failure to abide by such standards, or any violation of any rule, ordinance, custom or tradition of the Tribe, the reservation, or the Gaming Activities, or the terms or

conditions of the license, may be grounds for immediate suspension or revocation of any license issued hereunder.

10.11 Appeals. All decisions of the Gaming Commission regarding the issuance of licenses shall be final and effective when issued; provided, within fifteen (15) days of the receipt of the written decision regarding denial of the license, the applicant may file a petition for reconsideration with the Gaming Commission. Any Tribal Member denied a license has thirty (30) days from receipt of the written decision to appeal the denial to the Gaming Commission. No license may be issued on appeal if such issuance would place the Tribe in violation of an applicable Gaming Compact or other applicable law.

10.12 Background Investigations.

10.12.1 The Gaming Commission shall request from each primary management official and each key employee all of the information set forth in subsections 10.12.1.1 through 10.12.1.14 below, as well as any other information required on the gaming license application. Further, each other applicant for a class A license, except as provided otherwise by the Gaming Commission, shall also submit the information set forth in subsections 10.12.1.1 through 10.12.1.14 below, as well as any other information required on the gaming license application. Further, the Gaming Commission reserves the right, at any time, to request additional information either prior to, during, or subsequent to the initial application or any background investigation.

10.12.1.1 Full name, other names used (oral or written), social security number(s), date of birth, place of birth, citizenship, gender, all languages (spoken or written);

10.12.1.2 Currently and for at least the previous five (5) years: business and employment positions held, ownership interests in those businesses, business and residence addresses and drivers license number(s);

10.12.1.3 Names and current addresses of at least three (3) personal references, including one personal reference who was acquainted with the applicant during each period of residence as listed under subsection 10.12.1.2 above;

10.12.1.4 Current business and residence telephone numbers;

10.12.1.5 Description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;

10.12.1.6 A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;

10.12.1.7 Name and address of any licensing or regulatory agency with which the person has ever filed an application for a license or permit related to gaming, whether or not such license or permit was granted;

10.12.1.8 For each felony for which there is an on-going prosecution or a conviction: the charge, the name and address of the court involved, and the date and disposition, if any, of the case;

10.12.1.9 For each misdemeanor conviction or on-going misdemeanor prosecution (excluding minor traffic violations) within ten (10) years of the date of the application: the name and address of the court involved, and the date and disposition, if any, of the case;

10.12.1.10 For each criminal charge (excluding minor traffic charges), whether or not there is or was a conviction, if such criminal charge is within ten (10) years of the date of the application and is not otherwise listed above pursuant to subsections 10.12.1.8 or 10.12.1.9 above: the criminal charge, the name and address of the court involved and the date and disposition, if any, of the case;

10.12.1.11 Name and address of any licensing or regulatory agency (federal, tribal, state, local or foreign) with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;

10.12.1.12 Current photograph;

10.12.1.13 Any other information the Tribe or Gaming Commission deems relevant; and

10.12.1.14 Fingerprints consistent with procedures adopted by the Gaming Commission according to 25 C.F.R. § 522.2(h).

10.12.2 The Gaming Commission shall conduct or cause to be conducted an investigation sufficient to make a determination of eligibility as required under this Gaming Act. In conducting the background investigation, the Gaming Commission and its agents shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

10.13 Eligibility Determination. The Gaming Commission 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 Gaming Commission determines that employment of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances

dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, that person shall not be employed by the gaming facility in a key employee or primary management official position or in any other position for which a class A license is required, unless otherwise specifically approved by the Gaming Commission.

10.14 Forwarding Licensing Applications and Reports to NIGC.

10.14.1 Unless otherwise provided by the NIGC, on or before the date any key employee or primary management official is employed by a Gaming Enterprise authorized under this Gaming Act, the Gaming Commission shall forward to the NIGC the person's completed application for employment containing the information required above under section 10.12.1 of this Gaming Act.

10.14.2 Prior to issuing a license to a primary management official or key employee, the Gaming Commission shall forward to the NIGC, together with a copy of the eligibility determination made under subsection 10.13 above, an investigative report on each background investigation. The investigative report on each background investigation shall be forwarded to the NIGC within sixty (60) days after the employee begins work, or within sixty (60) days of the approval of this Gaming Act by the NIGC. The Gaming Enterprise shall not employ or continue to employ any person as a key employee or primary management official who does not have a license within ninety (90) days of beginning work.

The investigative report shall include the following information:

10.14.2.1 Steps taken in conducting a background investigation;

10.14.2.2 Results obtained;

10.14.2.3 Conclusions reached; and

10.14.2.4 The bases for those conclusions.

10.14.3 The Tribe shall provide to the NIGC or other agency as required, any other reports and information required by IGRA and regulations promulgated thereunder. Further, with respect to key employees and primary management officials, the Gaming Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the NIGC for no less than three (3) years from the date of termination of employment.

10.14.4 If a license is not issued to an applicant, the Gaming Commission shall notify the NIGC and may forward copies of its eligibility determination and investigative report (if any) to the NIGC for inclusion in the Indian Gaming Individuals Records System.

10.15 Granting a Gaming License.

10.15.1 If, within a thirty (30) day period after the NIGC receives a report as required under subsection 10.14 above, the NIGC notifies the Tribe that it has no objection to the issuance of a license pursuant to the license application filed for a key employee or primary management official for whom the Tribe has provided an application and investigative report, the Gaming Commission may issue the license.

10.15.2 The Gaming Commission shall provide any additional information requested by the NIGC concerning a key employee or primary management official who is the subject of a report as required under this subsection. An NIGC request for additional information shall suspend the thirty (30) day period established under subsection 10.15.1 above until the NIGC receives the additional information.

10.15.3 If, within the thirty (30) day period established under subsection 10.15.1 above, the NIGC provides a statement itemizing objections to issuance of a license to a key employee or primary management official, the Gaming Commission shall reconsider the application, taking into account such objections. The Gaming Commission retains the right to make the final determination whether to issue the license to such applicant.

10.16 License Suspension.

10.16.1 If, after issuance of a gaming license, the Tribe receives reliable information from the NIGC or other reliable source indicating that a key employee or a primary management official is not eligible for employment under the eligibility criteria established in section 10 above, the Gaming Commission shall suspend the license and shall notify the licensee in writing of the license suspension and proposed revocation.

10.16.2 The Gaming Commission shall notify the licensee of a time and place for a hearing on the proposed revocation of a license.

10.16.3 After the revocation hearing, the Gaming Commission shall determine whether to revoke or to reinstate the gaming license. For actions taken in response to information provided by the NIGC, the Gaming Commission shall notify the NIGC of its decision.

10.17 Facilities Licenses. Before gaming activities can be conducted therein, the Gaming Commission shall inspect and license each such facility in compliance with the requirements of this Gaming Act, IGRA, and any applicable Gaming Compact.

Section 11. Application Forms.

11.1 Each application form for a key employee or a primary management official, as well as for all other Class A license applicants unless otherwise specifically exempted by the Gaming Commission, shall contain the notices set forth in subsections 11.1.1 and 11.1.2 below:

11.1.1 Privacy Act Notice:

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 the disclosures indicated in this notice will result in a Tribe's being unable to hire you in a primary management official or key employee position.

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

11.1.2 Notice Regarding False Statements.

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, § 1001)

11.2 Any existing key employee or primary management official, or other class A licensee unless otherwise specifically exempted by the Gaming Commission, shall be notified that they shall either:

11.2.1 Complete a new application form that contains the Privacy Act notice and the notice regarding false statements; or

11.2.2 Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice, and sign a statement that contains the notice regarding false statements.

Section 12. Class III Gaming; Tribal-State Compacts.

In addition to the provisions set forth above, no class III gaming shall be engaged in on Tribal Lands unless a Gaming Compact has first been obtained in accordance with the IGRA. All negotiations for such compacts shall be conducted through the Chairperson of the Tribe, with the advice and suggestion of the Gaming Commission, and shall be finalized only upon the majority vote of the tribal membership after consideration of the terms of such Gaming Compact. In the event the Tribe approves a Gaming Compact, the provisions of such Gaming Compact, once approved under IGRA, shall govern over the provisions herein, to the extent the Gaming Compact is inconsistent herewith.

Section 13. Interest in Management Contracts by Tribal Officials.

No elected official of the Tribe, including the Gaming Commission or any other committee or agency of the Tribe, shall have a financial interest in or management responsibility for, any management agreement entered into pursuant to IGRA, nor shall such elected official serve on the board of directors or hold (directly or indirectly) ten percent (10%) or more of the issued and outstanding stock of any corporation, or 10% or more of the beneficial interest in any partnership, trust, or other entity, in any such corporation, partnership, trust or other entity, having a financial interest in, or management responsibility for, such contract.

Section 14. Service of Process.

The Tribe designates as its agent for the service of any official determination, order, or notice of violation, the Chairperson of the Gaming Commission.

Section 15. Tribal Gaming Corporation.

Nothing in this Gaming Act shall prevent the Tribe from delegating the authority to conduct gaming to one or more tribal corporations, so long as the tribal gaming enterprises to which such authority is delegated agree to meet all requirements established under this Gaming Act.

Section 16. Repeal of Prior Gaming Ordinances; Effective Date.

This Gaming Act and regulations promulgated thereunder shall constitute the entire gaming regulations of the Tribe. All prior gaming ordinances and regulations of the Tribe are repealed, and this Gaming Act shall become effective upon its adoption.

Section 17. Severability.

If any provision or application of this Gaming Act is determined by review to be invalid, such determination shall not be held to render such provision inapplicable to other persons or circumstances, nor shall such determination render invalid any other provision of this Gaming Act.

Section 18. Amendments.

All provisions of this Gaming Act are subject to amendment by the Community Council. Regulations promulgated by the Gaming Commission under this Gaming Act are subject to amendment by the Gaming Commission.

Section 19. Sovereign Immunity Preserved.

Nothing in this Gaming Act is intended or shall be construed as a waiver of the sovereign immunity of the Tribe, and no manager, officer, or employee of the Gaming Commission or the Tribe or the gaming facility shall be authorized, nor shall they attempt, to waive the immunity of the Tribe.

2013
10-31-13

TUOLUMNE GAMING COMMISSION

GAMING LICENSE REGULATIONS and BACKGROUND INVESTIGATION PROCEDURES

Under the Tuolumne Gaming Act of 1999

Section 1. LICENSING PROGRAM OVERVIEW

The Tuolumne Band of Me-Wuk Indians (Tribe) gaming licensing program is administered through the Tuolumne Gaming Commission (Gaming Commission). It is an investigative licensing process under which applicants for a class III or class II gaming license are evaluated against the standards set forth in, and subject to the following applicable laws:

- 1.1 Tuolumne Gaming Act of 1999 (Gaming Act), and gaming regulations promulgated thereunder;
- 1.2 Indian Gaming Regulatory Act (IGRA) and National Indian Gaming Commission (NIGC) regulations;
- 1.3 Tribal-state compact requirements, to the extent applicable; and
- 1.4 Other applicable tribal, federal or state laws and regulations.

All class II and class III gaming activities shall be licensed and regulated. All those engaged in gaming activities on the Reservation must have a valid license issued by the Gaming Commission. As part of the licensing program, the Gaming Commission may, at any time, require drug or alcohol testing for applicants and licensees. Applicants who meet the standards for licensing will be granted a license, which must be renewed at least every two years. A gaming license is deemed a privilege that is subject to suspension or revocation at any time.

Section 2. LICENSE APPLICATION REQUIREMENTS

Persons and entities seeking a license may obtain the Gaming Commission application forms at the Gaming Commission office. The completed forms, with fees and other required information and attachments must be returned to the Commission office. Unless otherwise exempted by the Gaming Commission, or as provided for in the Ordinance or regulations

promulgated thereunder, an individual or entity required to be licensed must obtain the required license (regular, temporary, provisional, or conditional) prior to the commencement of their employment at any Tribal Gaming Enterprise.

2.1 Completing Applications

An application is not deemed complete until the Gaming Commission receives all information required or requested, and any applicable fees. If the application is incomplete and applicant does not respond to written notification of such, or fails to submit additional materials or fees within thirty (30) days of written notice, the Gaming Commission may deny the license, revoke any license held, and close the applicant's file.

2.2 Signatures Required

Applications must be signed by the persons indicated below, under oath, attesting that the information provided in the application and accompanying materials is true, accurate and complete.

2.2.1 For a corporation (non-profit or for profit), the highest ranking officer or official of the corporation.

2.2.2 For a sole proprietorship, the principal owner.

2.2.3 For a partnership, all partners; for a limited partnership, the general partner.

2.2.4 For employee licenses, the person seeking a license.

2.3 Additional Signatures

The Gaming Commission may also require the signature of the following persons on the application:

2.3.1 The chair or members of the board of directors or trustees.

2.3.2 The person in charge of financial records.

2.3.3 Any person with a substantial interest in the applicant's business, organization or corporation.

2.4 Class A and B License Application Information

All Class A and Class B license applicants, unless specifically exempted by the Gaming Commission, or as modified under the provisions of Section 12.0 of these regulations, shall provide licensing information including but not limited to the following:

2.4.1 Full name, current address and telephone number(s) (both business and residence), date and place of birth, social security number(s), any other names used (oral or written), citizenship, gender, and all languages spoken or written;

2.4.2 The name, address, and telephone number for businesses and organizations in which the applicant has any financial interest and the details of that financial interest;

2.4.3 Criminal, personal, and financial history information required by the Gaming Commission;

2.4.4 Currently and for at least the previous ten (10) years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;

2.4.5 Names and current addresses of at least three (3) personal references, including one personal reference who was acquainted with the applicant during each period of residence listed in subsection 2.4.4 above;

2.4.6 Description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;

2.4.7 Description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;

2.4.8 Name and address of any licensing or regulatory agency (federal, tribal, state, local or foreign) with which the person has ever filed either: (a) an application for a license or permit related to gaming, whether or not such license or permit was granted, or (b) an application for an occupational license or permit, whether or not such license or permit was granted;

2.4.9 For each felony for which there is currently or has been, during at least the previous ten (10) years, an on-going prosecution or a conviction: the charge, the name and address of the court involved, and the date and disposition, if any, of the case;

2.4.10 For each misdemeanor conviction or on-going prosecution (excluding minor traffic violations for which the fine is no more than twenty-five dollars (\$25.00)), within at least ten (10) years of the date of the application: the name and address of the court involved, and the date and disposition, if any, of the case;

2.4.11 For each criminal charge (excluding minor traffic charges), whether or not there is or was a conviction, if such criminal charge is within no less than ten (10) years of the date of the application and is not otherwise listed in 2.4.9 or 2.4.10 above: the criminal charge, the name and address of the court involved and the date and disposition, if any, of the case;

2.4.12 Current photographs;

2.4.13 Fingerprints consistent with procedures adopted by the Gaming Commission under 25 C.F.R. § 522.2(h) and the Ordinance;

2.4.14 Corporate applicant articles of incorporation and by laws or, for other business or organization, those documents which establish the entity's organizational structure and purposes;

2.4.15 Details and copies of franchise or other agreements, whether written or oral, between the applicant and distributors or manufacturers or suppliers of equipment, or between the applicant and any person or entity where those agreements related to gaming activities or gaming equipment; and

2.4.16 Any other information the Tribe or Gaming Commission deems relevant.

2.6 Release of Information / Waiver of Privilege

Applicants must provide a general release and waiver of any privilege in connection with the release of information for the purpose of a background or other investigation so the Gaming Commission may obtain information, including that which otherwise may be privileged.

2.7 Waiver of Liability

Applicants must expressly waive liability as to the Tribe and its agencies, commissions, employees, and agents for any damages resulting from disclosure or publication of the information acquired by the Gaming Commission during licensing, or other investigation, inquiry or hearing.

2.8 Fingerprinting and Investigation

Background investigations (including fingerprinting) are required for Class A license applicants. Class A may include but is not limited to employees; persons or entities with an interest in supplies or equipment; financiers; suppliers; consultants; distributors; vendors; and manufacturers. The Gaming Commission may submit fingerprints to the Federal Bureau of Investigation (FBI), the NIGC, or another tribal, federal, local, or state agency to obtain applicant's criminal information records, and may otherwise search records of such agencies for criminal background information.

2.9 Supplemental Licensing Information

In addition to the completed application form and attachments, applicants and licensees must submit any supplemental information requested by the Gaming Commission. Information must be provided within thirty (30) days from the date of request, unless a shorter time is otherwise established by the Gaming Commission. Failure to submit requested information in a timely manner shall be grounds for denial of the license sought, or revocation of any license held.

2.10 Drug and Alcohol Testing

The Tribe intends to operate its gaming activities in a drug and alcohol free workplace. Drug or alcohol testing may be required at any time for any applicant or licensee, under provisions of a drug and alcohol policy.

2.11 Continuing Duty to Provide Information

Applicants and licensees have a continuing duty to provide any materials or other information required by the Gaming Commission, and to fully cooperate in any investigation conducted by or on behalf of the Gaming Commission. Any information relevant to the license applicant or licensee's suitability for gaming shall be provided to the Gaming Commission, with or without a formal request. If information provided on the license application changes or inaccurate, applicants and licensees must promptly notify the Gaming Commission of such changes or inaccuracies. If, subsequent to a formal request to respond or produce information, evidence, or testimony, an applicant or licensee or a person associated with the applicant or licensee, refuses or fails to comply with such request, the Gaming Commission may deny the application or revoke the license.

2.12 License in Compliance with Law

No gaming license shall be granted in violation of the Gaming Act or other applicable law, including IGRA and regulation promulgated thereunder, or a Gaming Compact.

2.13 Burden of Proof - Licensing

The burden of proof with respect to the granting of any gaming license is at all times upon the applicant or licensee. No license shall be granted unless and until the applicant has satisfied the Gaming Commission of their suitability to hold such license.

2.14 Determination of Suitability

Application for a gaming license constitutes a request for determination of the applicant's general character, honesty, integrity, and suitability to participate or engage in or to be associated with the gaming operation. Any written or oral statement made in the course of a Gaming Commission investigation, proceeding, or process by any member, employee or agent of the Tribe or by any witness, testifying under oath, which is relevant to the investigation, proceeding, or process, is privileged and shall not impose any liability for slander, libel or defamation, or constitute grounds for recovery in any legal action. Applicants must accept all risk of adverse public notice, embarrassment or other action which may result from the licensing process, and must waive any claim for damages.

2.15 Applicant Claim of Privilege

During the licensing process or subsequent investigation, the applicant or licensee may claim any privilege afforded by law in connection with the application or investigation. Applicant's claim of privilege, however, with respect to any testimony or evidence, or the applicant's failure to produce documents or information required, may be grounds for denial, suspension, or revocation of a license.

2.16 Withdrawal of Application

Gaming applicants may request withdrawal of the application by submitting a written request to the Gaming Commission. The Gaming Commission may, in its sole discretion, grant or deny a request for withdrawal. The written request to withdraw an application should be received by the Gaming Commission at least twenty-four (24) hours prior to issuance or denial of the license.

Section 3. AUTHORIZED GAMING LICENSE CLASSES

3.1 Class A

Any license issued to a person or entity for employment in, association with, or to do business with any class II or class III gaming operation in a gaming-related capacity, shall be considered a **Class A** license. Further, any person associated with the Tribe's class II or class III

gaming activities as an investor or other person owning or controlling ten percent (10%) of an interest in any management entity, closely associated independent contractors, and primary management officials and key employees must obtain a Class A license. The Gaming Commission reserves the right, in its sole discretion, to authorize business entities to obtain a Class B license in lieu of a Class A license in order to do business with the tribal gaming activities.

3.2 Class B

Persons or entities not otherwise subject to the provisions of Section 12.0 of these regulations who are associated with, or doing business with a gaming activity or enterprise in a non-gaming related capacity may apply for a **Class B** license. The Gaming Commission reserves the right to require such persons or entities to be licensed under the requirements for a Class A license.

Section 4. LICENSING PROGRAM

All persons employed in class II or III gaming or gaming related activities either within or outside of the gaming operation and, unless exempted, employees involved in the gaming operation in a non-gaming position must be licensed (temporary, provisional, conditional or regular license) prior to beginning employment or conducting business with the gaming operation. Management companies and financiers; and unless otherwise exempted, suppliers, distributors, manufacturers, and vendors shall be licensed. The Gaming Commission shall inspect and license all gaming facilities. All licensing shall be in compliance with applicable law, including tribal law and regulations, IGRA and regulations promulgated thereunder, and any applicable Gaming Compact.

4.1 Key Employees

Class II or III gaming employees including but not limited to those who perform one or more of the following functions are considered Key Employees, and must obtain a Class A license: bingo caller; counting room supervisor; chief of security; custodian of gaming supplies or cash; floor manager; pit boss; dealer; croupier; approver of credit; or custodian of gambling devices, including persons with access to cash and accounting records within such devices. If not otherwise included, all persons whose total cash compensation exceeds \$50,000 per year and the four (4) most highly compensated persons in the gaming operation must qualify for a Class A license. The Gaming Commission may, in its sole discretion, include other positions within the definition of Key Employee.

4.2 Primary Management Officials

Primary Management Officials associated with a Class II or a Class III gaming enterprise are required to qualify for a Class A license and include: any person having management responsibility for a management contract; any person who has authority to hire and fire employees or to set up working policy for the gaming operation; and the chief financial officer or other person who has financial management responsibility. The Gaming Commission may, in its sole discretion, include other positions within the definition of Primary Management Official.

4.3 Gaming Commission Licenses

The Gaming Commission may issue the following licenses:

4.3.1 Class III Gaming Employee License

Persons employed in class III gaming activities, including banking card games, lottery-type games, roulette, craps, and other table games or activities designated as class III gaming, and including all class III key employees and primary management officials, must qualify for and hold a Class A gaming employee license.

4.3.2 Class II Gaming Employee License

Persons employed in or associated with class II gaming activities, including bingo, non-banking or other class II card games, pulltabs, punchboards, or other Class II gaming activities, as well as any class II key employee or primary management official, must qualify for and hold a Class A gaming employee license.

4.3.3 Employee License - Non-Gaming

Persons employed in a class II or class III gaming facility in a non-gaming related position including but not limited to facilities maintenance and food services employees, must qualify for and hold a Class B license.

4.3.4 Vendor Employee

Persons employed by a vendor, supplier, or other service provider who work within the gaming facility may be required to complete an application for licensing or registration and under the provisions of Section 12.0 of these regulations.

4.3.5 Management Company / Financiers

4.3.5.1 Persons or entities with which the Tribe enters into an agreement for financing, development, management or operation of any class II or III gaming operation, must qualify for a Class A license, and are subject to the requirements set forth in Section 12.0 of these regulations. The Gaming Commission may issue a license to any such persons and entities without further investigation if they hold a valid certification or license from the NIGC. The federal government, commercial lending institutions, and tribal governments that extend financing (directly or indirectly) to the gaming operation are exempt from the licensing requirements, unless otherwise required by the Gaming Commission.

4.3.5.2 No license shall be granted to a management company if any elected official of the Tribe, or a member of the Gaming Commission serves on the board of directors or holds (directly or indirectly) ten percent (10%) or more of the issued and outstanding stock of the corporation, or ten percent (10%) or more of the beneficial interest in any partnership, trust, or other entity, in any such corporation, partnership, trust or other entity that has a financial interest in or management responsibility for such contract. No license shall be granted if an elected official of the Tribe, member of the Gaming Commission, or a member of another committee or agency of the Tribe has a financial interest in or management responsibility for any other agreement between the management company and the Tribe.

4.3.5.3 No management company shall be granted a license if the Gaming Commission determines that the company or its agents have unduly interfered with or influenced for their advantage any decision or process of tribal government relating to the gaming operation or has deliberately or substantially failed to follow the terms of the management contract or the Tribe's gaming laws.

4.3.5.4 The Gaming Commission, in its sole discretion, may require any employee, officer, or director of a management or financing company to be licensed individually if the interest of the Tribe will be served by such licensing. Upon Gaming Commission request, the management or financing company shall require such persons to apply to the Gaming Commission for a license in accordance with the laws and regulations then in effect.

4.3.6 Suppliers, Distributors and Manufacturers

Manufacturers, distributors, and suppliers of gaming services or goods are subject to the requirements set forth in Section 12.0 of these regulations.

4.3.7 Gaming Facility

4.3.7.1 The Gaming Commission shall issue a license to each facility where class II or III gaming is conducted on the Reservation. A gaming facility license is valid for two (2) years from date of issuance unless otherwise revoked, suspended or invalidated. The licensing inspection may include but is not limited to security and surveillance procedures and equipment; and compliance with all applicable law and regulations; including those relating to safety, food handling, and environmental matters.

4.3.7.1 The Gaming Commission may inspect a licensed gaming facility at any time, with or without prior notice, and may take action to:

4.3.7.1.1 Ensure the safety and welfare of employees, tribal members, patrons, and the general public;

4.3.7.1.2 Ensure the honesty and integrity of any gaming activity offered;

4.3.7.1.3 Ensure the conduct of employees and patrons is regulated and that operation and regulation of gaming activities, food and beverages, entertainment, and other matters as the Gaming Commission shall determine, complies with applicable law; and

4.3.7.1.4 Ensure compliance with all other applicable laws and regulations.

4.3.8 Renewal

The Gaming Commission shall require applicants renewing a license to submit updated information as requested on the license renewal application. Applicants for renewal will not be required to re-submit historical data already available to the Gaming Commission. Unless otherwise specifically provided in these regulations, all licenses shall be effective for two (2) years from the date of issuance, unless revoked, suspended, or otherwise invalidated prior to expiration.

A licensee that has applied in a timely manner to renew a license may continue to be employed or provide goods or services under an expired license until the Gaming Commission takes action to grant or deny the license, or until the license is revoked, suspended, or otherwise invalidated.

4.3.9 Temporary, Provisional, or Conditional

The Gaming Commission may grant to any license applicant a temporary, provisional, or conditional license in lieu of a regular license pending completion of the background investigation and application review, or to address specific areas of concern. The expiration date and any applicable conditions to be satisfied prior to issuance of the regular license will be stated on the temporary, provisional, or conditional license. The Gaming Commission will not authorize the continuation of employment of a person as a Key Employee or Primary Management Official for more than ninety (90) days, unless that person or entity holds a valid Class A license issued by the Gaming Commission.

Section 5. LICENSE APPLICATION - REQUIRED NOTICES

5.1 Required Notices

Key employees and primary management officials, and other applicants unless exempted by the Gaming Commission, must acknowledge in writing the applicability of the Privacy Act of 1974 and sign a notice regarding the penalty for making false statements on the application. Employees who have not signed an application containing the required notices must either sign a statement which contains the notices or complete and sign a new application form which contains the notices.

Section 6. CONFIDENTIAL LICENSING INFORMATION

All licensing information submitted as part of the application process becomes the property of the Gaming Commission and may be subject to inspection and disclosure unless otherwise protected under provisions of tribal laws or regulations, or an applicable exception as follows:

6.1 Documents Designated as Confidential

An applicant may designate specific materials or documents the applicant reasonably believes to contain confidential information by clearly marking those materials or documents as "Confidential". Those "Confidential" materials and documents shall not be subject

to public disclosure or made part of the public record of the Gaming Commission without first providing the applicant notice and an opportunity for a Gaming Commission hearing regarding whether the materials, documents, or information should be made public. The Gaming Commission will balance the applicant's claimed confidentiality concerns against the materiality of the information to the license application, the public's right to be made aware of the information, and the Gaming Commission's need to make the information part of the public record in order to remain fully accountable for the licensing decision. The Gaming Commission shall consider all facts and circumstances relevant to making a proper ruling. The decision of the Gaming Commission shall be final when issued.

6.2 Arrest and Conviction Records

Information or statements regarding arrests or convictions of any person will not be disclosed to the public, except as relevant to the applicant or licensee's suitability in a hearing to appeal denial, revocation, or suspension of a license; in another legal proceeding, or as otherwise required by law.

6.3 Identity of Persons Interviewed

The identity of each person interviewed in the course of a licensing background investigation shall be kept confidential.

Section 7. BACKGROUND INVESTIGATIONS

The Gaming Commission is responsible for conducting background investigations prior to licensing of applicants to ensure the Tribe's gaming operation does not employ or contract with those whose prior activities, criminal record, reputation, habits, and associations pose a threat to the interest of the Tribe or gaming public, or to the effective regulation of gaming, or enhance the danger of unfair, unsuitable, or illegal practices and activities in the conduct of gaming.

7.1 Investigation Scope and Standards

Class A license applicants, and other applicants unless exempted by the Gaming Commission, shall be subject to a complete background investigation, including fingerprinting, prior to granting of a license. The Gaming Commission shall use any information available to it in conducting a background investigation. Applicants will be assessed and evaluated under standards at least as stringent as those contained in the Tribe's laws and regulations, an applicable tribal-state gaming compact, and other applicable law. The Gaming Commission reserves the right to conduct a more comprehensive investigation than required under other licensing jurisdictions or applicable laws.

7.1.1 Coordination with Enforcement Agencies

The Gaming Commission may refer persons to the Sonora Police Department and Tuolumne County Sheriff's Office for fingerprinting, and will coordinate with those law enforcement agencies regarding criminal history information and investigation procedures.

7.1.2 Inspection of Applicant Books and Records

The books and records of applicants shall be subject to inspection at any time, on demand and with or without notice, during any application or other investigation process and the term of any license granted.

7.2 Licensing Authority and Responsibility

The Gaming Commission has the authority and responsibility to conduct background investigations, develop and transmit to the NIGC the eligibility determination and investigative reports, and to license employees and other persons and entities involved in gaming activities or doing business with the gaming enterprise. For Class A license applicants, and other applicants unless exempted by the Gaming Commission, the Gaming Commission will conduct, or cause to be conducted, a background investigation. After independent review of all background investigation materials, the Gaming Commission will issue or deny the license requested.

7.3 Investigation Resources Available

The Gaming Commission shall establish the investigation process based on requirements under applicable law, availability of staff and resources, and other considerations and requirements. In all cases, the final decision regarding the issuance or denial of any license remains with the Gaming Commission. The Gaming Commission is authorized to conduct investigations and develop eligibility and suitability determinations through:

7.3.1 Gaming Commission staff;

7.3.2 Agreement with the other jurisdictions, or as otherwise required under a gaming compact; or

7.3.3 Agreement with one or more independent investigators or investigatory entities (private or public) to perform all or any portion of the services required.

7.4 Investigation Staff - Qualifications and Hiring

Gaming Commission staff responsible for the review and investigation of gaming applicants include qualified Administrators, Reviewing Agents ("Agents") and Supervisors, with training and experience in conducting background investigations. Investigation staff will have training and experience in application review, accounting, auditing, and/or law enforcement. At least one Agent must be qualified by experience or training to review criminal records and law enforcement matters. Candidates for Gaming Commission staff positions must apply with the Gaming Commission office. Candidates will be tested and pre-screened prior to interviewing with the Gaming Commission. The Gaming Commission may require that candidates pass a background investigation, including personal, criminal and financial background, prior to employment.

7.5 Application Investigation Process

Applications will be dated, logged in, and reviewed by the Administrator upon receipt. The Administrator will ensure all required information has been provided, and will contact applicants by telephone, facsimile, or in writing regarding any incomplete information or additional materials required prior to processing the application. The Administrator will ensure that application fees have been paid, note payment made, and forward any fees for deposit.

7.5.1 Fingerprint Cards

Fingerprint cards are processed as required by the agency transmitting the cards to the FBI for processing. Fingerprint cards sent to the NIGC for FBI processing will be sent directly from the law enforcement agency completing those cards. Fingerprint cards processed will be subject to the procedures of the authorized processing agency. As appropriate, the Administrator will forward the fingerprint cards to the authorized agency for processing.

7.5.2 Application Review

When the application is deemed complete and ready for review and investigation, the Administrator forwards the application to one or more Agent(s) or outside investigators for review. A record of each application is maintained by the Administrator, with date application was received, name of reviewing agent, action dates, and other tracking information.

7.5.3 Agent Review and Investigation

The license application will be fully reviewed by one or more Agents. An Agent with training or experience in reviewing such records will review the applicant's criminal history information prior to completion of the review process.

7.5.4 On Site Review and Investigation

For management companies and other business applicants, and others as deemed necessary, the Gaming Commission may require an on-site review of records and operations prior to completion of the review process. Such review will be conducted by one or more Agents qualified to review and assess applicant's records.

7.5.5 Application Information to NIGC

When a key employee or primary management official begins work at the gaming operation, the Administrator will forward employee application information to the NIGC.

7.5.6 Gaming Commission Licensing Responsibility

If the Gaming Commission contracts with an independent individual or entity for background investigations, a Gaming Commission Agent will review each background investigation report from the independent investigator, approve or disapprove the investigative work, and compile the eligibility determination and other materials for Gaming Commission consideration. The final determination regarding the issuance or denial of the gaming license remains, at all times, with the Gaming Commission.

Section 8. CLASS "A" LICENSE REVIEW REQUIREMENTS

8.1 Scope of Investigation

The scope of review of Class "A" license applications includes, at minimum, investigation of applicant's criminal history, personal history, and financial history in order to detect unusual relationships or criminal associations, and to assess applicant's reputation. Background investigations shall include, but are not limited to:

8.1.1 Verification (written or oral) of information submitted by applicant.

8.1.2 Law enforcement record search, as available, to ensure applicant has no outstanding warrants.

8.1.3 Request for information about the applicant, directed to enforcement authorities in jurisdictions where the applicant has worked or lived during the past ten (10) or more years. Agents inquire into applicant's prior activities, criminal record, if any, and reputation, habits and associations.

8.1.4 Personal, professional, and developed references will be interviewed to develop applicant's report, including unusual relationships, financial problems, or criminal record. Inquiries shall be of sufficient number and depth for the Gaming Commission to make a finding concerning applicant's suitability for employment in or association with the gaming enterprise.

8.1.5 Review of criminal history information from the FBI fingerprint check and other available sources.

8.1.6 Review of applicant's credit record.

8.1.7 Document the disposition of all potential problem areas noted and any disqualifying information obtained for use in developing eligibility determination report.

8.2 Determining Eligibility

During the review and investigation of all Class "A" license applicants, the Agent will complete a checklist containing information required for the eligibility determination. Information will be verified, problem areas and discrepancies noted, and other comments provided as applicable.

8.3 Supervisor Review

When the review process is completed the applicant file, with comments and other information received by Agents, will be forwarded to the Supervisor. The Supervisor will review all materials, approve the investigative work, and note any other pertinent information. The Supervisor will finalize the eligibility (suitability) determination for Gaming Commission review and action.

8.4 Applicant Investigative Report

Applicant investigative reports will establish a record of the review process, including the steps taken in conducting the background investigation, the results obtained, conclusions reached, and the basis for reaching such conclusions and determinations.

8.5 Gaming Commission Approval

The application and investigative materials will be reviewed, and approved or disapproved by action of members of the Gaming Commission.

8.6 Licensing Information to NIGC

Unless otherwise exempted by the NIGC, the Gaming Commission will forward all approved key employee and primary management official files to the NIGC together with a copy of the completed license eligibility determination and the investigative report.

8.7 License Issuance

Upon Gaming Commission approval, a gaming license either with or without restrictions may be issued to the applicant.

8.8 Temporary or Provisional Licenses

The Gaming Commission may issue a temporary or provisional license to the applicant prior to completion of the investigative process; provided that no temporary license will remain valid for more than ninety (90) days. The Gaming Commission will not authorize the continued employment of a person as a key employee or primary management official for more than 90 days unless that person holds a valid license issued by the Gaming Commission.

Section 9. CLASS "B" LICENSE REVIEW

9.1 Gaming Commission Processing and Review

Class "B" license applicants will obtain and submit forms as provided in these regulations for such licensing. Gaming Commission Agents will review Class B applications and develop an eligibility determination report for internal use. Licenses will be granted or denied based on information obtained during the review process.

9.2 Scope of Investigation

Class B background investigations will be conducted by Gaming Commission staff in a similar manner but generally with a narrower scope than the investigation for Class "A" applicants. The Gaming Commission may, in its sole discretion, conduct a more comprehensive investigation for Class B applicants as deemed necessary. Class B license investigations shall include:

9.2.1 Review of application to ensure complete information provided;

9.2.2 Verification of information submitted by applicant;

9.2.3 Search of law enforcement records for outstanding warrants;

9.2.4 Review credit history, including applicant's credit report as deemed necessary.

9.2.5 Inquiry of sufficient depth into applicant's prior work record, personal, and criminal record, if any, to develop an understanding of applicant's reputation, habits and associations. This inquiry may include interviewing (by phone or in person) personal and professional references, former employers, and others in order to provide a basis for the development of an eligibility determination, and to assess the applicant's suitability for a gaming license; and

9.2.6 Documentation of any potential problem areas and disqualifying information obtained.

Section 10. NIGC LICENSE AND INVESTIGATION REPORTS

10.1 Investigation Reporting Process

Within sixty (60) days after a Class A license applicant or licensee begins work in the gaming operation, or within sixty (60) days after approval of the Ordinance by the NIGC, the Gaming Commission will forward to the NIGC application information, investigative report and eligibility determination used in evaluating applicant's eligibility for a license. The responsibility for transmittal (or causing the transmittal) of investigative reports to the NIGC remains with the Commission Chairman. Investigative reports shall include at least the following information:

10.1.1 Steps taken in conducting the background investigation;

10.1.2 Results obtained;

10.1.3 Conclusions reached; and

10.1.4 The basis for those conclusions.

10.2 NIGC Notification of License Denial

If the Gaming Commission determines it will not issue or renew a Class A license, the Gaming Commission will notify the NIGC of such denial and may forward copies of the eligibility determination and investigative report, if any, to the NIGC for inclusion in the Indian Gaming Individuals Records System.

10.3 Retention of Applications

10.3.1 Class A

The Gaming Commission will retain applications for Class A licenses, including reports of background investigations, for a period of no less than three (3) years from the date of license denial or termination of employment, whichever is later. Such records will be made available for inspection by the Chairperson of the NIGC or their designee.

10.3.2 Class B and other licenses

The Gaming Commission will retain Class B and other license information for such employees and to the extent necessary after termination of employment or denial, suspension or revocation of the license. No investigative report or eligibility determination will be forwarded to the NIGC for these license applicants who are not key employees or primary management officials under IGRA, unless specifically requested by the NIGC and approved by the Gaming Commission.

Section 11. NIGC REVIEW OF LICENSING

11.1 NIGC 30-Day Review Period

The NIGC has thirty (30) days after receipt of the report provided by the Gaming Commission as required in Section 10.0, to notify the Tribe of any objections to the issuance of a Class A license. If the NIGC, within the thirty (30) day period, provides to the Gaming Commission a statement itemizing objections to the issuance of a license to a Class A license applicant, the Gaming Commission will reconsider the application taking into account the objections raised. The Gaming Commission will issue a final decision after full reconsideration of the application and any additional information.

11.2 Suspension of Review Period

If, within the thirty (30) day period in section 11.1, the NIGC requests additional information concerning a Class A applicant for whom a report is provided, that request suspends the thirty (30) day period until the NIGC receives the information requested.

11.3 Notice of Disqualifying Information

If, after issuance of a Class A license, the Gaming Commission receives reliable

information from the NIGC that the licensee is not eligible for employment under the provisions herein, the Gaming Commission will take the following steps:

11.3.1 Suspend the license and notify the licensee immediately of the suspension and proposed revocation;

11.3.2 Notify the licensee of a time and a place for a hearing on the proposed revocation of the license;

11.3.3 Conduct the revocation hearing and make a determination whether to revoke or to reinstate the license; and

11.3.4 Notify the NIGC of the final decision regarding the revocation or reinstatement of the Class A license.

11.4 Applicability to Class B Licenses

The above provisions of Section 11 may, in the sole discretion of the Gaming Commission, be applicable to Class B licenses.

Section 12. VENDOR LICENSING

12.1 Individuals and business entities (including principals, officers, directors, representatives, owners, on-site representatives, and other persons working with the business entity) doing business with the Tribe's gaming enterprise, whether or not the goods or services provided are gaming related, unless otherwise exempted by the Gaming Commission, are subject to the following regulations and procedures and to all other provisions of the Gaming Act and these regulations. The Gaming Commission may, in its sole discretion, issue a license without further investigation to such individuals or business entities holding a valid certification or license from the NIGC.

12.2 Definitions

For the purposes of these procedures, the following definitions shall be applicable:

12.2.1 Gaming Vendor

Gaming Vendor shall mean an individual or business entity providing goods or services to the Tribe or the gaming enterprise, whether on or off site, related to the operation of the Tribe's class II or class III gaming activities, and shall include but is not limited to gaming-related equipment, maintenance,

management or consulting services, financing, gaming supplies, and security or surveillance services. Gaming vendors include manufacturers, suppliers, and distributors of such equipment, services, or supplies. For the purposes of these regulations, gaming services shall not include professional legal and accounting services nor provision of indirect goods or services such as food and beverages, laundry services, and the like.

12.2.2 Vendor

Vendor shall mean an individual or business entity providing only non-gaming related goods or services to the Tribe or the gaming enterprise, whether on or off site, in connection with the operation of the Tribe's Class II or Class III gaming activities, and shall include but is not limited to food and beverage suppliers, laundry service suppliers, non-gaming related equipment, clothing, food, or supplies for resale in the gaming facility, magazines, and publications.

12.2.3 The Gaming Commission, in its sole discretion, may waive the licensing requirements for Vendors and Gaming Vendors providing goods or services of no more than \$25,000 in value in any twelve (12) month period. All license requirements shall be applicable when the goods or services provided total \$25,000 in any twelve (12) month period.

12.2.4 The Gaming Commission, in its sole discretion, may require an employee, officer, or director of a Vendor or Gaming Vendor to be licensed individually, even if the Vendor or Gaming Vendor is otherwise exempted from licensing requirements, if the Gaming Commission determines that the interest of the Tribe will be served by such licensing. At the request of the Gaming Commission, the Vendor or Gaming Vendor shall require such persons to apply to the Gaming Commission for a license in accordance with the laws and regulations then in effect.

12.3 Vendor Contracts Subject to Licensing and Independent Audit

Under the Gaming Act, all contracts with Vendors and Gaming Vendors, including each supplier, manufacturer, distributor, or other services supplier doing business with the Tribe's gaming activities ("Vendor Contracts") are subject to licensing by the Gaming Commission. Payments to Vendors and Gaming Vendors may be delayed until the licensing process is completed. All Vendor Contracts in the amount of \$25,000 or more annually for supplies, services, or concessions related to gaming activities on the Reservation are also subject to independent audit.

12.4 Time for License Application

Each Vendor or Gaming Vendor, as defined herein, is responsible for filing a license application with the Gaming Commission within five (5) business days after execution of a contract to do business with the Tribe's gaming enterprise, and prior to receiving payment thereunder. The Gaming Commission may, in its sole discretion, require licensing or other pre-approval of the company or individuals to be completed prior to execution of the contract or prior to beginning any work with the gaming enterprise.

12.5 Vendor Licensing and License Categories

The Gaming Commission is authorized to issue three categories of Vendor Licenses. The Gaming Commission shall require Vendors and Gaming Vendors to complete the process for one of those three categories. All three categories of Vendor Licenses are considered Class A licenses, but subject to the specific provisions of Section 12.0.

12.6 Vendor License Information Required

The Gaming Commission shall require all Vendors and Gaming Vendors to submit basic licensing information to the Gaming Commission. The Gaming Commission is further authorized to require the submission of either a greater or lesser amount of information from any Vendor or Gaming Vendor based on factors including but not limited to (a) their relationship to the gaming activities; (b) size, complexity, and organizational structure of the vendor; (c) total dollar amount of contracts with the Tribe and/or the gaming enterprise; (d) licensing status in other jurisdictions; (e) total number of contracts with the Tribe and/or the gaming enterprise; (f) number of on-site employees; (g) frequency and amount of overall contacts with the Tribe and/or the gaming enterprise; (h) reputation and record of the vendor in prior dealings with the Tribe and/or the gaming enterprise; and (g) general reputation of the vendor in business dealings and in the community.

12.6.1 Category A-1 Vendor License

Individuals and entities defined herein as "Gaming Vendors", as well as those providing non-gaming services, materials, or equipment and that must access any secure or non-public area of the gaming facility (such as locksmiths, alarm contractors, surveillance equipment maintenance) shall apply for a Category A-1 Vendor License if their contracts with the Tribe are, or are estimated to be, \$25,000 or more within the twelve month period beginning with the date of the initial contract. Category A-1 Vendor Licensees must be investigated and fully licensed before the total of their contracts with the tribe's gaming activities exceeds the \$25,000 amount.

12.6.2 Category A-2 Vendor License

Individuals and entities defined herein as "Vendors", and including those providing non-gaming goods and services who must access any secure or non-public area of the gaming facility (such as locksmiths, plumbers, electrical contractors, computer support services, camera suppliers), as well as independent concessionaires who provide goods or services to the public through the gaming facility (such as, for example, catering companies, valet services, cash machine services, and the like) shall apply for a Category A-2 Vendor License, if the total of their contracts with the Tribe and its gaming enterprise are, and are reasonably estimated to be, no more than \$25,000 within the twelve month period beginning with the date of the initial contract.

12.6.3 Category A-3 Vendor License

All other providers of either gaming or non-gaming related goods or services (including distributors, manufacturers, or suppliers) to the gaming enterprise, and are not otherwise included in Categories A-1 or A-2, shall apply for a Category A-3 license. At the discretion of the Gaming Commission, any Category A-3 Vendor may be required to meet the licensing requirements of a Category A-1 or A-2 Vendor.

12.7 Vendor License Fees and Costs

Basic Vendor License fees shall be established by the Gaming Commission for category A-1, A-2, and A-3 licenses. Initial license fees shall be available on request from the Gaming Commission and may be adjusted from time to time to cover the actual cost of investigation and licensing. The Gaming Commission is further authorized to increase or decrease basic license fees for any Vendor or Gaming Vendor based on the amount of business the vendor has done or expects to do with the Tribe's gaming activities, or to waive or defer license fees as the Gaming Commission, in its sole discretion, deems appropriate. In processing Vendor applications, the Gaming Commission may, in its sole discretion, use in-house investigation services, outside investigation services, or a combination of both. The Gaming Commission may require additional fees at any time during the licensing and investigation process to cover costs and expenses of investigation, licensing, and regulation.

12.8 Basic Vendor License Information Required

The Gaming Commission shall require the following information, unless the Gaming Commission, in its sole discretion, specifically waives some or all of the information required from Vendors and Gaming Vendors as part of the licensing process:

12.8.1 Completed Vendor Application for the company and for each person required by the Gaming Commission to be licensed as part of the Vendor License process, including application attachments and license fees;

12.8.2 Copy of company Personnel Policy;

12.8.3 Copy of company Drug and/or Alcohol Program, with certification of its implementation;

12.8.4 Copy of all contractual agreements with Tribe's gaming activities; and

12.8.5 Any other materials requested by the Gaming Commission.

12.9 Gaming Commission Vendor License Investigation and Processing

12.9.1 Gaming Commission staff shall provide in-person or send a Vendor Application packet to Vendors and Gaming Vendors who request such information, are identified by the gaming enterprise, or are otherwise identified by the Gaming Commission as requiring a Vendor License.

12.9.2 Gaming Commission staff shall review incoming completed applications for the following:

12.9.2.1 All portions of the application have been completed and are legible;

12.9.2.2 Photographs and fingerprint cards (if required) have been included;

12.9.2.3 Legible copies of all required identification documents have been provided (California Driver's License, Alien Registration, Naturalization documents, and the like);

12.9.2.4 All required fees have been provided;

12.9.2.5 Application and all required forms have been signed and notarized as necessary;

12.9.2.6 Any other required attachments such as financial information, business organizational documents, and the like have been provided; and

12.9.2.7 The application materials include information required for vendor on-site representatives; company owners, directors, and officers; and any other individuals required to be licensed or investigated as part of the company application.

12.9.3 Upon completion of the above review, the Gaming Commission may authorize the issuance of a temporary Vendor License that will be valid for no more than a one (1) year period.

12.9.4 Gaming Commission staff will continue to process the completed application as follows:

- 12.9.4.1 Social security number review and verification for each owner and other individuals as required to be licensed as part of the vendor licensing;
- 12.9.4.2 Review financial reports and organizational documents provided;
- 12.9.4.3 Verify PUC including number, insurance, and number and type of vehicles;
- 12.9.4.4 Review state and federal tax returns as required;
- 12.9.4.5 Obtain business credit information and report;
- 12.9.4.6 Conduct asset search, if deemed necessary after above review;
- 12.9.4.7 Check state and federal civil, criminal, and bankruptcy court records for jurisdiction where business located and where principals reside, if necessary;
- 12.9.4.8 Check references listed, including at least one bank reference;
- 12.9.4.9 For any employee whose proposed job duties with the gaming enterprise include driving or carrying passengers, conduct DMV record review; search state and local court records; review copy of drivers license and medical card; conduct reference checks; and review and verify employment history;

12.9.4.10 For any employee proposed as an on-site representative at the Gaming Enterprise, verify social security number; search state, local, and federal court records; verify prior employment; verify and contact personal references to the extent necessary (may include developed references); review and verify professional licenses; obtain credit report; and conduct DMV record review; and

12.9.4.11 The Gaming Commission may conduct the investigation specified above through use of qualified in-house staff, or may contract with another jurisdiction, individual, or agency to conduct some or all of the above work, or to conduct further investigation.

12.9.5 Vendor Licenses (Category A-1, A-2, and A-3) may, in the sole discretion of the Gaming Commission include the following:

12.9.5.1 Temporary Gaming License: issued upon receipt and initial review of the application as provided in 12.9.3 above;

12.9.5.2 Vendor Gaming License: regular license issued upon completion of investigation and valid for no more than two (2) years (includes issuance of a photo identification to be worn at all times when licensee and its on-site representatives are in the gaming enterprise; and

12.9.5.3 Provisional License: may be issued if applicant is unable to pay total licensing fee at one time and payment schedule is developed; if applicant (business or individuals) must comply with specific provisions to maintain the license; and other circumstances deemed appropriate to protect persons and property.

12.9.6 Closure of Applicant Files: During Gaming Commission processing, the Applicant's license file may be closed for reasons including but not limited to the following: licensing and background information is not provided as requested; the application is not completed or fees are not paid as required; or applicant's services are no longer required by the gaming enterprise. Prior to closing an applicant file, Gaming Commission staff will send a letter via certified or overnight mail to applicant at applicant's last known address, with a copy to the gaming enterprise, indicating the file is closed effective that date, and that no further goods or services may be provided to the gaming enterprise.

12.9.7 Denial of License to Applicant: For applicants who, after investigation is completed, are not deemed suitable to do business with the gaming enterprise, the Gaming Commission staff will send a letter to the applicant at applicant's last known address, via certified or overnight mail, a letter indicating that the license has been denied and setting forth the appeal procedures. If the appeal is not filed within fifteen (15) days, or if the denial is not overturned as a result of the appeal process, the applicant is no longer authorized to do business with the gaming enterprise. Denial of the Vendor License may also be considered for other purposes, and may result in the applicant being denied the opportunity to do business with the Tribe's government or other business enterprises.

Section 13. LICENSE AND INVESTIGATION FEE PROVISIONS

13.1 License Investigation Fees

Basic license fees are established and published by the Gaming Commission, and may be changed without prior notice at any time for any class of license. If the cost of investigation and processing an application exceeds the fee established, the Gaming Commission may require that additional fees be paid prior to license issuance. License application fees may include an amount to cover the reasonable costs of regulation and enforcement.

13.2 Payment of Fees

Applicants must comply promptly with any request for a deposit to cover the estimated cost of investigation and processing. Applicant's failure to pay any fee deposit as and when requested may result in denial of the license. The Gaming Commission, in its sole discretion, may delay the issuance of a license for a sufficient period of time to ensure that a check offered to cover such fees has cleared the bank.

13.3 Waiver of Fees

The Gaming Commission reserves the right to waive or adjust license fees for a member of the Tribe or for a member of another tribe. The decision of the Gaming Commission regarding such requests shall be final and non-appealable.

Section 14. NOTIFICATION OF LICENSING ACTION

The Gaming Commission shall provide written notification to each applicant upon the grant or denial of the license. To the extent required under federal, state, or other applicable laws, the Gaming Commission will notify the NIGC and others as required regarding issuance, revocation or denial of Class A licenses.

Section 15. LICENSE NOT A VESTED RIGHT

The Gaming Commission's issuance of any license shall not be construed as granting a vested right in any of the privileges the license confers.

Section 16. LICENSEE DUTIES AND RESPONSIBILITIES

16.1 Updating Information

Each licensee shall assume full responsibility for providing to the Gaming Commission on an on-going basis, information to supplement, correct, or update that provided in the original license application, as well as any other information that may impact the licensee's suitability for continued licensing. Failure to provide such information on a timely basis may result in suspension, revocation, or denial of the license.

16.2 Compliance with Applicable Law and Conditions

Each licensee and licensee's employees shall be legally responsible for compliance with all applicable laws, including tribal, federal, and state laws and regulations. Further, licensees issued a conditional or provisional license shall assume the responsibility for full and timely compliance with any conditions or restrictions set forth in conjunction with issuance of such license. Failure to comply with applicable law or conditions established may result in suspension or revocation of the license issued.

16.3 Evidence of Suitability

The issuance or renewal of any license may be conditioned as necessary, including successful completion of required programs or training or the presentation of evidence of the person or entity's suitability.

16.4 Rewards, Bribes, and Compensation

No applicant or licensee shall give, provide, or offer to give or provide (directly or indirectly) to any official of the Tribe, Gaming Commission, or any other employee or agency of the Tribe any compensation, reward, or share of the money received through gambling activities in consideration for obtaining a license or authorization to participate in any gaming operation. Any violation shall result in denial or revocation of any license held or sought.

16.5 Responsibility of Employees and Licensee Businesses

Licensees and employees of a business entity, as well as the licensee entity itself,

shall be legally responsible for any violation of the Tribe's laws and regulations, license requirements, and other applicable laws and regulations, including IGRA and any applicable tribal-state compact.

Section 17. LICENSEE PROCEEDINGS CLOSED TO PUBLIC

Hearings regarding licensing proceedings or reconsideration of an application shall be closed to the public unless specifically opened to the public by a two-thirds majority vote of the Gaming Commission.

Section 18. LICENSE DENIAL, SUSPENSION OR REVOCATION

18.1 Grounds for Denial, Suspension or Revocation

The Gaming Commission may deny a license, or suspend or revoke a license when the applicant or licensee, or any other person or entity with any interest in the applicant or licensee:

18.1.1 has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by the Ordinance and or other applicable laws or regulations;

18.1.2 knowingly causes, aids, abets or conspires with another to cause any person to violate any applicable laws or regulations;

18.1.3 has obtained a license by fraud, misrepresentation, concealment, or through inadvertence or mistake;

18.1.4 fails to promptly produce for inspection or audit any book, record, or document required by applicable laws or regulations;

18.1.5 has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to the crime of forgery, larceny, extortion, conspiracy to defraud, tax evasion, or similar offenses, or of any crime, whether a felony or misdemeanor, involving moral turpitude or a gambling activity; or

18.1.6 allows any person who has been convicted of or forfeited bond upon any of the offenses above to participate in the management or operate in a key position with the entity licensed by the Gaming Commission, without prior notice to and written approval from the Gaming Commission.

18.2 Surrender of License

Upon receiving written notice of the suspension or revocation of any license issued by the Gaming Commission, the licensee is required, within five (5) days, to surrender the license and return it to the Gaming Commission.

18.3 Suspension or Revocation After Hearing

In addition to other procedures set forth in these regulations, any license issued under these regulations may be suspended or revoked by the Gaming Commission for a breach or violation of the provisions of applicable laws or regulations, and a hearing before the Gaming Commission called no more than twelve (12) or less than eight (8) working days from the time the licensee is given notice of the alleged breach or violation. The licensee, and any person directly affected by the license action shall have the right to be present and to offer sworn oral or documentary evidence relevant to the breach or violation charged.

18.4 Summary Suspension or Revocation

Nothing in these regulations shall preclude the Gaming Commission from summarily suspending or revoking any license if the continued licensing appears to constitute a threat to Tribe's or the public health, safety or welfare; enhance the opportunity for unfair or unscrupulous practices in the gaming operation; or increase the likelihood that the integrity and reputation of the gaming operation might be compromised.

18.5 Appeal of Denial, Suspension or Revocation

18.5.1 Decisions of the Gaming Commission regarding the denial, suspension or revocation of licenses shall be final and effective when issued.

18.5.2 An applicant or licensee whose license is denied, revoked or suspended may, within fifteen (15) days after the date of receipt of a written decision of the Gaming Commission, file a with the Gaming Commission a request to reconsider the decision. The request must set forth the basis of the request for reconsideration. If no request or petition for reconsideration is received by the Gaming Commission within the time prescribed, the decision shall be deemed final and not subject to further reconsideration, appeal, or review by the Gaming Commission.

18.5.3 Notwithstanding the above, a member of the Tribe may, in addition, appeal a denial, suspension or revocation of a license to the Gaming Commission within sixty (60) days of written notice under the provisions set forth in the Ordinance.