

**WAGANAKISING ODAWAK STATUTE 2005-06
GAMING REGULATORY ACT**

SECTION I. PURPOSE

The Tribal Council hereby ordains and establishes this Statute for the purpose of authorizing and comprehensively and preemptively regulating the terms and conditions under which Class I, II, and III gaming may be conducted on the lands of the Tribe. This Statute rescinds and replaces the Gaming Regulatory Statute enacted on February 18, 2001, being Waganakising Odawak Statute 2001-02.

SECTION II. DEFINITIONS

Unless a different meaning is clearly indicated in this Statute, the terms used herein shall have the same meaning as defined in the Indian Gaming Regulatory Act (IGRA), 25 U.S.C. § 2701 *et seq.*, and its regulations, 25 C.F.R. § 500 *et seq.* Throughout this Statute, citations to Tribal or Federal statutes and regulations include successor statutes and regulations if such future changes do not alter the intent of this Statute. Additionally:

- A. “Board of Directors” means the Tribal Gaming Board of Directors created under Waganakising Odawak Statute 2004-08, or any successor entity created by Tribal Statute to carry out non-regulatory aspects of the Tribe’s gaming operation.
- B. “Commission” means the Little Traverse Bay Bands of Odawa Indians Tribal Gaming Regulatory Commission established to perform regulatory oversight and to monitor compliance with Tribal, Federal, and applicable State regulations.
- C. “Commissioner” means a Little Traverse Bay Bands of Odawa Indians Tribal Gaming Regulatory Commissioner,
- D. “Compact” means a Tribal-State Compact concerning class III gaming under 25 U.S.C. § 2710(d).
- E. “Complimentary Items” means a service or item provided at no cost, or at a reduced cost, to a customer, but does not include discounts offered equally to all Tribal members.

F. “Directly related to” means immediate family relations as defined in the Tribe’s nepotism statute, Waganakising Odawak Statute 2002-05, WOTC Title XIV, Section 6.414.

G. “Key Employee” means:

1. A person who performs one or more of the following functions:
 - a. Bingo caller;
 - b. Counting room supervisor
 - c. Chief of security;
 - d. Custodian of gaming supplies or cash;
 - e. Floor manager;
 - f. Pit boss;
 - g. Dealer;
 - h. Croupier;
 - i. Approver of credit; or
 - j. Custodian of gambling devices including persons with access to cash and accounting records within such devices;
2. If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or
3. If not otherwise included, the four most highly compensated persons in the gaming operation.
[25 C.F.R. § 522.4(b)(1)] [25 C.F.R. § 502.19]

H. “Net Revenues” means gross gaming revenues of the Little Traverse Bay Bands of Odawa Indians gaming operation less:

1. Amounts paid out as, or paid for, prizes; and
2. Total gaming-related operating expenses, excluding management fees.

I. “Non key employee” means any employee of the gaming operation that is not a key employee or primary management official.

J. “Primary Management Official” means:

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

K. “Tribal Council” means the elected governing body of the Little Traverse Bay Bands of Odawa Indians (LTBB).

L. “Tribal lands” means all lands within the Little Traverse Bay Bands of Odawa Indians jurisdictional reservation boundaries, and any lands title to which are held in trust by the United States for the benefit of the Little Traverse Bay Bands of Odawa Indians.

M. “Tribe” or “LTBB” means the Little Traverse Bay Bands of Odawa Indians which as reaffirmed in Public Law 103-324 is recognized as eligible by the Secretary of the Interior for the special programs and services provided by the United States to Indians because of their status as a federally recognized tribe, and is recognized as possessing powers of self-government.

SECTION III. GAMING AUTHORIZED

A. Class I Gaming means social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations. Class I gaming, or a raffle authorized by the Tribe or State, is regulated by the Commission only when it occurs within Class II or Class III gaming facilities of the Tribe, including connected amenities, such as hotels, restaurants and parking lots at such site. Class I gaming that occurs away from such facilities is not regulated by the Commission.

B. Class II Gaming is hereby authorized and defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C. Section 2703(7)(A) ("IGRA") and by regulations lawfully promulgated by the National Indian Gaming Commission ("NIGC") that now or hereafter may be in effect.

C. Class III Gaming is hereby authorized and defined in IGRA, 25 U.S.C. Section 2703(8) and by regulations promulgated by the NIGC that now or hereafter may be in effect is hereby authorized, provided such gaming is also authorized by and consistent with a Tribal-State Compact that has been approved or deemed approved by the Secretary of the Interior and is in effect, or otherwise has been authorized by the Secretary of the Interior or federal law.

SECTION IV. OWNERSHIP OF GAMING

The Little Traverse Bay Bands of Odawa Indians shall have the sole proprietary interest in and responsibility for the conduct of any gaming facilities and/or enterprise operation authorized by this Statute. *[25 C.F.R. § 522.4(b)(1)]*

SECTION V. USE OF GAMING REVENUE

A. Net revenues from tribal gaming shall be used only for the following purposes:

1. to fund tribal government operations and programs;
2. to provide for the general welfare of the Tribe and its members;
3. to promote tribal economic development;

4. to donate to charitable organizations; or
5. to help fund operations of local government agencies.
[25 C.F.R. § 522.4(b)(2) and 25 U.S.C. § 2710(b)(2)(B)]

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

C. The Tribe shall ensure that the interests of minors and other legally incompetent persons who are entitled to receive any per capita payments under a Tribal per capita payment plan are protected and preserved, and that the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for the health, education, or welfare of the minor or other legally incompetent person, under a plan approved by the Tribal Council and the Secretary of the Interior.

SECTION VI. GAMING REGULATORY COMMISSION

A. The Tribe hereby establishes a Tribal Gaming Regulatory Commission whose duty it is to regulate tribal gaming operations. The Commission shall consist of at least three (3) but not more than five (5) Tribal members. There shall be among them a Chairperson, Vice-Chairperson, Secretary and Treasurer, provided the Secretary and Treasurer may be combined into one position.

B. The purpose of the Commission is to ensure compliance with Tribal, Federal, and, if applicable, State laws and regulations. The Commission will serve as the licensing authority for individuals employed in the gaming operation and will administer background investigations as part of the licensing process. The Commission will also have a role in monitoring compliance with the internal control standards for the gaming operation and in tracking revenues. In order to carry out its regulatory duties, the Commission shall have unrestricted access to all areas of the gaming operation and to all records. The Commission shall have authority to take enforcement actions, including suspension or revocation of an individual gaming license when appropriate.

C. The Tribe recognizes the importance of an independent Commission in maintaining a

well-regulated gaming operation. The Commission shall be and act independently and autonomously from the Tribal Council in all individual licensing decisions. No prior or subsequent review by the Tribal Council of any licensing and fining actions of the Commission shall be required or permitted except as otherwise explicitly provided in this Statute. To avoid potential conflicts of interest between the operation and regulation of the gaming facility, the Tribe hereby finds that, at a minimum:

1. No member of the Tribal Council may serve on the Commission unless they would themselves qualify for licensing under this Statute, have no direct business relationship with the Tribe's gaming enterprise, and may only be appointed to emergency interim positions when no other qualified Tribal members are available.
 2. No Tribal Gaming Board of Directors member may serve on the Commission;
 3. No Tribal member directly related to or living with any Tribal Gaming Board of Directors member may serve on the Commission;
 4. Members of the Commission, Tribal Council and Gaming Board of Directors are prohibited from gambling in the facility.
 5. The following persons are also ineligible to serve on the Commission: employees of the gaming operation, while serving as such; gaming contractors (including any principal of a management or other contracting company); persons directly related to or sharing a residence with any of the above; persons ineligible to be key employees or primary management officials.
- D. The members of the Commission shall be appointed by the Tribal Council as follows:
1. Composition of the Commission. The Commission shall consist of three (3) to five (5) Tribal members appointed by the Tribal Council.
 2. Term. Members of the Commission shall be appointed to serve for three (3) year terms. Terms shall be staggered so no more than two terms start in any one year. Members may be reappointed for additional terms without limitation.

3. Subject to the availability of funding and a budget approved by the Tribal Council, members of the Commission may receive a stipend, mileage and expense reimbursement in accordance with a stipend policy adopted by the Tribal Council.
4. Future Appointments and oath of office shall be conducted in accordance with the Commissions, Committees and Boards Statute, WOS 2002-05, or such successor statute as Tribal Council may enact.

E. Tribal member nominees for the positions of Commissioners must submit to a background check qualifying for licensing under this Statute.

F. The Commission shall:

1. Conduct or cause background investigations to be conducted on, at a minimum, primary management officials and key employees;
2. Review and approve all investigative work conducted;
3. Report results of background investigations to the NIGC;
4. Obtain and process fingerprints, or utilize the Tribal Law Enforcement agency to obtain and process fingerprints;
5. Make suitability determinations, which shall be signed by a majority of the Commissioners present when the license is approved;
6. Issue gaming licenses to management officials and employees of the operation, consistent with the suitability determination;
7. Inspect, examine and monitor all gaming activities, and have immediate access to review, inspect, examine, photocopy and audit all gaming related records of the gaming establishment;
8. Ensure compliance with all Tribal, State, and Federal laws, rules, and regulations

regarding Indian gaming;

9. Investigate any suspicion of wrongdoing associated with any gaming activities, and report any potential criminal violations to Tribal Law Enforcement.
10. Hold hearings on patron and/or employee complaints, in compliance with procedures established in this Statute and other Tribal gaming regulations;
11. Comply with any and all reporting requirements under the IGRA, Tribal-State compact to which the Tribe is a party, and any other applicable law;
12. Promulgate and issue regulations necessary to comply with the Tribe and the NIGC's Minimum Internal Control Standards (MICS);
13. Promulgate and issue regulations on the levying of fees associated with gaming license applications;
14. Promulgate and issue regulations on the levying of fines and/or suspension or revocation of gaming licenses for violations of the gaming Statute, or any other Tribal, Federal, or State, if applicable, gaming regulations; and
15. Perform such other duties the Commission deems appropriate for the proper regulation of the Tribal gaming operation.
16. The Commission shall be authorized to employ such staff and/or consultants as reasonably may be required to fulfill its responsibilities under this Statute subject to personnel policies approved by Tribal Council.

G. The Commission shall ensure that all records and information obtained as a result of an employee background investigation shall remain confidential and shall not be disclosed to persons who are not directly involved in the licensing process. Under no circumstances shall information obtained during the course of an employee background investigation be disclosed to members of management, human resource personnel or others employed by the tribal gaming operation.

1. This Section does not apply to requests for such information or records from any Tribal, Federal or State law enforcement or regulatory agency, or for the use of such information or records by the Commission and staff in the performance of their official duties.

H. Removal. Members of the Commission can only be removed in accordance with standards and procedures set out in the Commissioner Removal and Nepotism Act (Waganakising Odawak Statute 2001-10), or such successor statute as the Tribal Council may enact.

I. A majority of the Commission shall constitute a quorum. The concurrence of a majority of the members appointed to the Commission shall be required for any final determination by the Commission. The Commission may act in its official capacity even if there are vacancies on the Commission.

J. The Commission shall keep a written record of all its regularly scheduled, special, and emergency meetings, and licensing hearings and meetings.

SECTION VII. ETHICS

A. The Tribe recognizes that the duties of the Commission include making important decisions on highly sensitive issues. As such, the Tribe has determined that the Gaming Commission shall be held to high ethical standards. Prior to taking their positions, the Commissioners shall agree to be bound by the following principles:

1. Commissioners shall not hold financial interests that conflict with the conscientious performance of their duties;
2. Commissioners shall not engage in financial transactions using nonpublic information or allow the improper use of such information by others on their behalf to further any private interest;
3. Commissioners shall not solicit or accept any inappropriate gift or other item of monetary value as defined in the Commission's bylaws, regulations or Tribal

Council statute or policy, including complimentary items (see Section VIII, below), from any person or entity seeking official action or inaction from, doing business with, or conducting activities regulated by the Commission, or whose interests may be substantially affected by the performance or nonperformance of the Commissioners' duties;

4. Commissioners shall not make unauthorized commitments or promises of any kind purporting to bind the Tribe;
5. Commissioners shall not use their positions for private gain;
6. Commissioners shall act impartially, in accordance with all relevant Tribal, Federal, and State laws (where applicable), and shall not give preferential treatment to any private organization or individual;
7. Commissioners shall ensure that Tribal property and gaming assets shall be properly segregated and safeguarded, and that such property and assets shall not be used for unauthorized activities;
8. Commissioners shall not engage in outside employment or activities, including seeking or negotiating for future employment, which conflict with their official duties and responsibilities;
9. Commissioners shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

SECTION VIII. COMPLIMENTARY ITEMS FROM THE GAMING ENTERPRISE

A. The use of complimentary items shall be governed by regulations established by the Commission, which shall be in accord with the NIGC's Minimum Internal Control Standards, found at 25 C.F.R. § 542.17.

B. No Employee, Primary Management Official, Tribal Council member, Tribal Chairperson, Vice-Chairperson, member of the Tribal Judiciary, member of the Gaming Board of Directors or the Commission, shall be authorized to receive complimentary items from the Tribe's gaming enterprise.

SECTION IX. AUDIT

A. Annual Audit. The Tribal Council shall appoint an independent auditor to conduct the annual financial statement audit and minimum internal control testing as required by 25 C.F.R. §§ 522.4 and 571.12 and any other applicable or successor Federal regulations. The Commission shall have a right to receive a copy of the annual audit.

B. Internal Audit. The Commission shall employ personnel to conduct the compliance function (internal audit). In the event that the internal audit function cannot be performed by in-house staff, the Commission may engage an independent audit firm with the approval of the Tribal Council.

C. All gaming related contracts that result in the purchase of supplies, services, or concessions in excess of \$25,000.00 annually, except contracts for professional legal and accounting services, shall be specifically included within the scope of the audit that is described in subsection A. above. *[25 C.F.R. § 522.4(b)(4)]*

SECTION X. ENVIRONMENT AND PUBLIC HEALTH AND SAFETY

Class II and Class III gaming facilities shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety. The Tribal Council may designate persons or entities other than the Commission to ensure compliance with non-gaming health and safety standards such as building codes, fire safety, etc.

SECTION XI. PATRON DISPUTE RESOLUTION

Patrons who have gaming related complaints against the gaming establishment, a gaming employee, or a management contractor shall have as their sole remedy the right to file a petition for relief with the Commission and the complaint shall be resolved in accordance with procedures adopted by the Commission. Such procedures shall at a minimum include:

A. The aggrieved member of the gaming public shall first bring his/her complaint either verbally or in writing to staff of the gaming facility within seven (7) days of the incident giving rise to the complaint.

B. If not satisfied with staff response, the complaining party may file a written complaint with the Commission within fourteen (14) days from receiving the gaming staff response. The Commission shall render a decision in a timely fashion and all such decisions will be final when issued.

SECTION XII. LICENSING OF EMPLOYEES

A. The Commission shall ensure that the policies and procedures set out in this section are implemented with respect to key employees and primary management officials employed at any class II and/or Class III gaming enterprise. The Commission has the authority to set licensing standards and issue licenses to non-key employees of the enterprise. The application requirements and standards for issuance of non-key licenses will be set out in the Commission regulations promulgated under this Statute.

B. Application Forms

1. The following notice shall be placed on all key and primary management official license application forms:

- a.** “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.” [25 C.F.R. § 556.2(a)]

2. The Commission shall notify in writing existing key employees and primary management officials who have not completed an application containing the notices set forth above that they shall either:
 - a. Complete a new application form that contains both the Privacy Act and false statement notices; or
 - b. Sign a statement that contains the Privacy Act and false statement notices and consent to the routine uses described in that notice.
3. The following notice shall be placed on the application form for a key employee or a primary management official:
 - a. 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, or both. (18 U.S.C. §1001).

C. License Fees

The Tribe may charge a license fee, to be set by the Commission and approved by the Tribal Council, to cover its expenses in investigating and licensing required under this Statute.

D. Background Investigations

1. The Commission shall perform background investigations and issue licenses for key employees and primary management officials according to requirements that

are at least as stringent as those in 25 C.F.R. parts 556 and 558.

2. The Commission shall conduct an investigation sufficient to make a determination under Subsection G. below. In conducting a background investigation, the Commission or its agent(s) shall promise to keep confidential the identity of each person interviewed in the course of the investigation. The Commission may utilize the Tribe's Law Enforcement Department to take fingerprints and conduct criminal history checks. The criminal history check shall include a check of criminal history records information maintained by the Federal Bureau of Investigation and any other services as are available and appropriate.

E. Fingerprints

Each applicant for a Key Employee or Primary Management Official shall be required to have fingerprints taken as part of the license application procedure. Fingerprints shall be taken by Licensing Department or Tribal Law Enforcement. Fingerprints will then be forwarded to the NIGC for processing through the FBI and NCIC to determine the applicant's criminal history, if any. *[25 C.F.R. § 522.2(h)]; [25 C.F.R. § 556.4(a)]*

F. Procedures for Conducting a Background Check on Applicants

1. As part of its review procedure, the Commission or its agent may employ or engage a private investigator to conduct a background investigation on each applicant sufficient to allow the Commission to make an eligibility determination under subsection G below. The investigator shall:
 - a. Verify the applicant's identity through items such as a social security card, drivers license, birth certificate, or passport;
 - b. Contact each personal and business reference provided in the License Application;
 - c. Obtain a personal credit check;
 - d. Conduct a civil history check;
 - e. Conduct a criminal history check via the submission of the applicant's

fingerprints to the NIGC, and further obtain information from the appropriate court regarding past felony and/or misdemeanor convictions and criminal charges within the last ten years or longer if required under the Compact or any applicable law or regulation;

- f.** Inquire into any previous or existing business relationships with the gaming industry and Indian tribes by contacting the entities or tribes;
 - g.** Verify the applicant's history and status with any licensing agency by contacting the agency; and
 - h.** Take other appropriate steps to verify the accuracy of the information, focusing on problem areas noted.
- 2.** The investigator shall create an investigative report noting the steps taken, information gained, potential problem areas, and disqualifying information.
 - 3.** The Commission and its private investigator shall promise to keep confidential the identity of each person interviewed in the course of the investigation, other than disclosure as required under Tribal, Federal or State law. [25 C.F.R. § 556.4(b)]

G. Eligibility Determination

The 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 Commission determines that licensing of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, the Commission shall not license that person in a key employee or primary management official position. The application will include all charges and convictions as required to be disclosed under federal or Tribal law or regulations, or under the terms of a gaming compact that the Tribe is party to. However, the Commission will not consider records expunged or sealed by a Court of law.

H. Procedures for Forwarding Applications and Reports for Key Employees and Primary

Management Officials to the National Indian Gaming Commission

1. When a key employee or primary management official begins work at a gaming operation authorized by this Statute, the Commission shall forward to the National Indian Gaming Commission a completed application for employment and conduct the background investigation and make the determination referred to in Subsection G of this Section.
2. The gaming operation shall not employ as a key employee or primary management official a person who after 90 days does not have a license. [25 C.F.R. § 558.3(a)] [25 C.F.R. § 558.3(b)]

I. Report to the National Indian Gaming Commission

1. The Commission shall prepare and forward a report on each background investigation to the National Indian Gaming Commission. An investigative report shall include all of the following:
 - a. Steps taken in conducting a background investigation;
 - b. Results obtained;
 - c. Conclusions reached; and
 - d. The bases for those conclusions. [25 C.F.R. § 556.5(a), (b)]
2. The Commission shall forward the completed investigative report to the National Indian Gaming Commission within 60 days after an employee begins work or within 60 days of the approval of this Statute by the Chairman of the National Indian Gaming Commission. [25 C.F.R. § 558.3(b)]
3. The Commission shall submit, with the investigative report, a copy of the eligibility determination, unless the NIGC shall have advised the Tribe that the submission of the eligibility determination is not necessary. [25 C.F.R. § 556.5(c)] This determination shall include a statement describing how the

information submitted by the applicant was verified; a statement of results following an inquiry into the applicant's prior activities, criminal record, if any, and reputation, habits and associations; a statement showing the results of interviews of a sufficient number of knowledgeable people (such as former employers, personal references, and others referred to by the applicant) in order to provide a basis for the Commission to make a finding concerning the eligibility for employment in a gaming operation; and a statement documenting the disposition of all potential problem areas noted and disqualifying information obtained.

4. If a license is not issued to an applicant, the Commission:
 - a. Shall notify the NIGC if required under federal law or regulation in effect at the time; and
 - b. Shall forward copies of its eligibility determination and investigative report (if any) to the NIGC for inclusion in the Indian Gaming Individuals Records System. *[25 C.F.R. § 556.5(d)]*
5. With respect to all employees, and in particular key employees and primary management officials, the Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the NIGC or his or her designee for no less than three (3) years from the date of termination of employment. *[25 C.F.R. § 558.1(b), (c)]*

J. Granting a Gaming License

1. If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the Tribe that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the Tribe has provided an application and investigative report to the National Indian Gaming Commission, the Commission, acting for the Tribe, may issue a license to such applicant. *[25 C.F.R. § 558.4(a)]*

2. The Commission shall respond to a request for additional information from the Chairman of the National Indian Gaming Commission concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30-day period under paragraph J. 1. of this section until the Chairman of the National Indian Gaming Commission receives the additional information. *[25 C.F.R. § 558.4(c)]*
3. If, within the thirty (30) day period described above, the National Indian Gaming Commission provides the Tribe with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Commission has provided an application and investigative report to the National Indian Gaming Commission, the Commission shall reconsider the application, taking into account the objections itemized by the National Indian Gaming Commission. The Commission shall make the final decision whether to issue a license to such applicant. *[25 C.F.R. § 558.4(b)]*

K. License Suspension

1. If, after the issuance of a gaming license, the Commission receives from the National Indian Gaming Commission, or other credible source, reliable information indicating that a key employee or a primary management official is not eligible for employment, the Commission shall suspend/revoke such license and shall notify in writing the licensee of the suspension and the proposed revocation. *[25 C.F.R. § 558.5(b)]*
2. The Commission shall notify the licensee of a time and a place for a hearing on the proposed revocation/suspension of a license. *[25 C.F.R. § 558.5 (c)]*
3. After a revocation/suspension hearing, the Commission shall decide to revoke or to reinstate a gaming license. The Commission shall notify the NIGC of its decision. *[25 C.F.R. § 558.5(d)]*

L. Review for Disputes

The regulations shall contain an appellate procedure whereby appeals of licensing

decisions are taken to the Tribal Court or such other appellate body as established therein. The burden of proof in hearings and appeals is on the person challenging the decision of the Commission, and the regulations may contain provisions for cost reimbursement for frivolous challenges.

M. Tribal members subject to licensing hearings shall be informed prior to any hearings that they may have another Tribal member of their choice present at all hearings, provided that they sign a form authorizing release of confidential information to such Tribal member prior to their hearing.

SECTION XIII. LICENSES FOR NON-KEY EMPLOYEES.

All non-key employees must obtain and maintain in good standing a non-key license issued by the Commission. A non-key employee cannot be promoted to a key employee position without first obtaining a key-employee license. The application contents and procedures for a non-key license are the same as those for a license under Section XII, except information on non-key employees need not be sent to the NIGC or made available to the State of Michigan, and the investigation need only include fingerprinting and criminal history checks. The standards of issuance, suspension and revocation of non-key licenses will be set out in the regulations of the Commission.

SECTION XIV. LICENSES FOR VENDORS

A. License Required. Vendors of gaming related services or supplies of \$25,000 or more annually must have a vendor license from the Commission in order to transact business with the Tribal gaming operation. Contracts for professional legal and accounting services are excluded from this section.

B. Submission of a Vendor License Application

1. In order to obtain a vendor license, the business must complete a vendor application and submit to background checks of itself and its principals. Principals of a business include its officers, directors, management, owners, partners, non-

institutional stockholders that either own 10% or more of the stock or are the 10 largest stockholders, and the on-site supervisor or manager under the agreement with the Tribe, if applicable.

2. A vendor may submit a copy of a recent license application to another jurisdiction if it contains the information listed above. The vendor will be required to submit in writing any changes in the information since the other license application was filed and any information required by the Commission not contained in the other application.

C. Contents of the Vendor License Application.

1. Applications for vendor licenses must include the following:
 - a. Name of business, business address, business phone, federal tax ID number (or SSN if a sole proprietorship), main office address if different from business address, any other names the applicant has done business under, type of service applicant will provide;
 - b. Whether the applicant is a partnership, corporation, limited liability company, sole proprietorship, or other entity;
 - c. If the applicant is a corporation, the jurisdiction of incorporation, and the qualification to do business in the jurisdiction of LTBB or the State of Michigan.
 - d. Trade name, other names ever used, names of any wholly owned subsidiaries or other businesses owned by the vendor or its principals;
 - e. General description of the business and its activities;
 - f. Whether the applicant will be investing in or loaning money to the gaming operation and, if so, how much;
 - g. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those

businesses;

- h.** A description of any existing and previous business relationships with Indian tribes, including ownership, financial, or management interests in non-gaming activities;
 - i.** Names, addresses, and phone numbers of three business references with whom the company had regularly done business within the last five years;
 - j.** The name and address of any licensing or regulatory agency with which the business has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
 - k.** If the business has ever had a license revoked for any reason, the circumstances involved;
 - l.** A list of lawsuits to which the business has been a defendant, including the name and address of the court involved, and the date and disposition if any;
 - m.** List the business' funding sources and any liabilities of \$50,000 or more;
 - n.** A list of the principals of the business, their social security numbers, addresses and telephone numbers, title, and percentage of ownership in the company; and
 - o.** Any further information the Tribe deems relevant.
- 2.** The following notice shall be placed on the application form for a vendor and its principals:
- a.** Inclusion of false or misleading information in the vendor application, or any alteration of the vendor application form, may be grounds for denial or revocation of the vendor license.

D. Vendor Background Investigation

The Commission may employ or otherwise engage a private investigator to complete an investigation of the vendor. This investigation shall contain, at a minimum, the following steps:

1. Verify of the business' incorporation status and qualification to do business in the jurisdiction where the gaming operation is located;
2. Conduct a check of the business' credit history;
3. Call each of the references listed in the vendor application; and
4. Conduct an investigation of the principals of the business, including a criminal history check, a credit report, and interviews with the personal references listed.

E. Vendor License Fee

The Tribe may charge a license fee, to be set by the Commission and approved by the Tribal Council, to cover its expenses in investigating and licensing vendors of the gaming operation. LTBB members will not be charged a vendor license fee.

F. The background investigator shall complete an investigative report covering each of the steps taken in the background investigation of the vendor and its principals.

SECTION XV. MINIMUM INTERNAL CONTROL STANDARDS

Little Traverse Bay Bands of Odawa Indians acknowledges its obligation to adopt and implement Tribal Minimum Internal Control Standards (MICS) for the operation of its Tribal gaming operation no less stringent than those found in the regulations of the NIGC at 25 C.F.R. Part 542. The Tribe's MICS shall be set out in separate regulations to be reviewed and approved by the Tribal Council.

SECTION XVI. LICENSE LOCATIONS

The Commission shall issue a separate license to each place, facility, or location on Indian lands where class II and/or class III gaming is conducted under this Statute. [25 C.F.R. §

522.4(b)(6)]

SECTION XVII. AGENT FOR SERVICE OF PROCESS

The Little Traverse Bay Bands of Odawa Indians hereby designates LTBB Tribal Chairperson as agent for service of process, who may be contacted at:

7500 Odawa Circle

Harbor Springs, MI 49740 [25 C.F.R. § 519.1]

SECTION XVIII. MANAGEMENT CONTRACTS PROHIBITED

Management contracts for management of LTBB gaming enterprises are prohibited by this Statute, even if such contracts would otherwise be allowable under the IGRA.

SECTION XIX. SAVINGS CLAUSE

In the event that any phrase, provision, part, paragraph, subsection or section of this Statute is found by a court of competent jurisdiction to violate the Constitution, or laws of the Little Traverse Bay Bands of Odawa Indians, such phrase, provision, part, paragraph, subsection or section shall be considered to stand alone and to be deleted from this Statute, the entirety of the balance of the Statute to remain in full and binding force and effect.

SECTION XX. EFFECTIVE DATE

This Statute takes effect upon approval of the Chairman of the National Indian Gaming Commission, or when considered approved by operation of applicable Federal law and/or regulation.

SECTION XX. EFFECTIVE DATE

This Statute takes effect upon approval of the Chairman of the National Indian Gaming Commission, or when considered approved by operation of applicable Federal law and/or regulation.

CERTIFICATION

As Tribal Chairman and Tribal Secretary, we certify that this Statute was duly enacted by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on May 15, 2005, at which a quorum was present, by a vote of 7 in favor, 0 opposed, 0 abstentions, and 0 absent as recorded by this roll call:

	In Favor	Opposed	Abstained	Absent
Frank Ettawageshik	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Beatrice Law	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Alice Yellowbank	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Dexter McNamara	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Fred Harrington, Jr.	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Rita Shananaquet	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Regina Gasco Bentley	<u> x </u>	<u> </u>	<u> </u>	<u> </u>

Date: May 15, 2005

Frank Ettawageshik
 Frank Ettawageshik, Tribal Chairman

Dexter McNamara
 Dexter McNamara, Tribal Secretary

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**LITTLE TRAVERSE BAY BANDS OF ODAWA INDIANS
7500 Odawa Circle
Harbor Springs, MI 49740**

**TRIBAL CODE OF REGULATIONS
SUBMISSION OF AMENDMENT(S)
FROM THE EXECUTIVE TO THE TRIBAL COUNCIL**

- WHEREAS** the Waganakising Odawak, (Little Traverse Bay Bands of Odawa Indians) is a nation of citizens with inherent sovereignty and right to self-governance and;
- WHEREAS** the Chairperson is charged by article VIII, § C(2) with executing and administering the laws and resolutions of the Little Traverse Bay Bands of Odawa Indians and;
- WHEREAS** the Tribal Council on November 20, 2005 enacted the ADMINISTRATIVE PROCEDURES ACT (“APA”), WOS 2005-015; which was signed into law by the Executive on December 16, 2005 and;
- WHEREAS** the APA requires the Executive to develop Tribal Codes of Regulation to implement statutes that require regulations and;
- WHEREAS** the Tribal Council on May 15, 2005 enacted the GAMING REGULATORY ACT, WOS 2005-06 and;
- WHEREAS** the GAMING REGULATORY ACT, WOS 2005-06 requires regulations and;
- WHEREAS** the Tribal Council approved the Regulations of the Gaming Regulatory Commission (“Regulations”) as presented by the Gaming Regulatory Commission (“GRC”), on April 18, 2004 and;
- WHEREAS** the Gaming Regulatory Commission has determined that the Regulations as currently written are in need of revision and has taken official action to make that revision, having then submitted said revision to the Tribal Chairperson for review.

THEREFORE, the Executive now submits to the Tribal Council the following Amendments to Section VIII, Subsection B of the Regulations of the Gaming Regulatory Commission said amendments being numbered REG-GRC-1000-01:

- B. Gambling by Employees. No employee of a licensed facility, member of the Gaming Regulatory Commission, employee of the Gaming Regulatory Commission, member of the Gaming **Board of Directors**, employee of the Gaming **Board of**

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Directors, member of the Tribal Council, or Tribal Chairperson and Vice-Chairperson shall be permitted to participate as a player in any game operated within the facility.

1. **None of the parties listed in Section VIII(B) shall be permitted to participate as a player in any game operated within the facility for a period of thirty (30) days following the vacation, relinquishment, or termination of their employment or elected or appointed position.**
2. **Surveillance employees of the Gaming Regulatory Commission shall be barred from participating as a player in any game operated within the facility for a period of one (1) year after their employment with the Gaming Regulatory Commission terminates; whether the termination of the employment relationship was voluntary or involuntary.**

Subsection B would then read as follows with the inclusion of the amended language:

SECTION VIII. GAMING OPERATIONS

B. Gambling by Employees. No employee of a licensed facility, member of the Gaming Regulatory Commission, employee of the Gaming Regulatory Commission, member of the Gaming Board of Directors, employee of the Gaming Board of Directors, member of the Tribal Council, or Tribal Chairperson or Vice-Chairperson shall be permitted to participate as a player in any game operated within the facility.

1. None of the parties listed in Section VIII(B) shall be permitted to participate as a player in any game operated within the facility for a period of thirty (30) days following the vacation, relinquishment, or termination of their employment or elected or appointed position
2. Surveillance employees of the Gaming Regulatory Commission shall be barred from participating as a player in any game operated within the facility for a period of one (1) year after their employment with the Gaming Regulatory Commission terminates; whether the termination of the employment relationship was voluntary or involuntary.

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CERTIFICATION

As Chairperson, I certify that this Amendment to the Regulations of the Gaming Regulatory Commission was approved by the Gaming Regulatory Commission of the Little Traverse Bay Bands of Odawa Indians and that I approve of the Amendment of these Tribal Codes of Regulation.

Date: 1-8-06

Frank Ettawageshik, Tribal Chairperson

As the Legislative Leader and Tribal Council Secretary, we certify that this Amendment to the Regulations for the Gaming Regulatory Commission was approved by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on January 8, 2006 at which a quorum was present, by a vote of 9 in favor, 0 opposed, 0 abstentions, and 0 absent.

Date: 1/8/06

Beatrice Law, Legislative Leader

Date: 1/8/06

Melvin L. Kiogima, Secretary

