

Citation Schedule Addendum I

- I. Purpose.** To define the process for issuing a Notice of Citation to the Gaming Operation or Vendors which fail to comply with applicable laws, or regulations, and to establish a Citation Schedule of Fines as recommended guidelines to the Tribal Court. Issuance of a Citation is limited to LTBB Licensed Vendors and LTBB Facility Licenses.
- II. Authority.** The Gaming Regulatory Commission is given the authority to issue citations under the Gaming Regulatory Statute Section VI. E.16-17.
- III. Citations.** Citations may be issued for violations of the Indian Gaming Regulatory Act (IGRA), National Indian Gaming Commission Regulations, LTBB Tribal/State Compact, LTBB Gaming Regulatory Statute, LTBB Gaming Regulatory Regulations, LTBB Tribal Minimum Internal Control Standards or other applicable laws.
1. Violations may include, but are not limited to, any of the following:
 - a. Engaging in gaming activity without a valid facility license (IGRA, NIGC, LTBB Statute) \$5000.
 - b. Failure to provide annual outside audits to the NIGC as required. (IGRA, NIGC, LTBB Statute) \$5000.
 - c. Employing a person in a Key or Primary position without proper gaming license. (IGRA, NIGC, LTBB Statute, Tribal/State Compact) \$5000.
 - d. Unauthorized use of Net Revenues in accordance with the Tribal Revenue Allocation Plan. (IGRA, NIGC, LTBB Statute) \$5000.
 - e. Failure to conduct gaming fairly and honestly. (IGRA, Compact, LTBB Statute) \$5000.
 - f. Failure to submit annual fees as required by NIGC regulations. (NIGC, LTBB Statute) \$5000.
 - g. Actions by the gaming operation that defrauds the Tribe or a customer. (NIGC) \$5000.
 - h. Failure to take corrective actions in regard to NIGC violations within 30 Days. (NIGC) \$5000.

- i. Knowingly submitting false or misleading information to the NIGC or the Tribe. (NIGC, LTBB Statute) \$5000.
 - j. Placing an unapproved gaming device in service for play. (Tribal/State Compact, LTBB Regulations) \$5000.
 - k. Individuals under the legal gambling age participating in gaming activity. (Tribal/State Compact, LTBB Statute) \$5000.
 - l. Failure to comply with Tribal / State Compact Section 4. Regulation of Class III Gaming. (Tribal/State Compact) \$5000.
 - m. Failure to comply with Tribal / State Compact Section 6. Providers of Class III gaming Equipment or Supplies. (Tribal/State Compact, LTBB) \$5000.
 - n. Failure to make payment to the Michigan Gaming Control Board as required. (Tribal/State Compact) \$5000.
 - o. Failure to comply with Federal Bank Secrecy Act Title 31 reporting requirements. (Bank Secrecy Act, LTBB Statute, Tribal/ State Compact) \$5000.
 - p. Failure to comply with Gaming Regulatory Statute Section VII. Gaming Prohibitions. (LTBB Statute) \$5000.
 - q. Failure to Comply with Gaming Regulatory Statute Section IX. Complimentary Items from the Gaming Enterprise. (LTBB Statute) \$5000.
 - r. Failure to comply with Gaming Regulatory Statute Section XI. Environment, Public Health and Safety. (LTBB Statute) \$5000.
 - s. Failure to comply with Gaming Regulatory Statute Section XVII. A. Licenses for Vendors. (LTBB Statute) \$5000.
- 2. Failure to comply with Regulations of the Gaming Regulatory Commission Section VIII Gaming Operations. (LTBB Regulations) \$1000.
 - 3. Failure to comply with LTBB Tribal Minimum Internal Controls (TMICS).
 - a. Failure to respond to TMICS Violations within 10 days or time frame specified on the Notice of Violation (Statute, TMICS) \$1000.
 - b. Failure to respond to Internal Audit Findings within 30 days or time frame specified on the Audit Report (Statute, TMICS) \$1000.

- c. Failure to correct TMICS Violations within the time frame designated in the response from Management unless there has been an extension approved by the Regulatory Director (Statute, TMICS) \$1000.
- 4. Failure to comply with the established LTBB Gaming Regulatory Commission Shipping Requirements. (TMICS) \$1000.
- 5. Failure to comply with the LTBB Gaming Regulatory Commission established Hardware/Software Agreement. (TMICS) \$1000.

IV. Imposition of Fines. The Gaming Regulatory Commission recommends the schedule of fines or forfeitures above that may be imposed by LTBB Tribal Court.

- 1. **Class A Citation** – Issued for failure to respond to or correct violations of Tribal Minimum Internal Control Standards or other applicable LTBB Regulations.

\$1000/violation Max \$5000

- 2. **Class B Citation** – Issued for violation of the Tribal/State Class III Gaming Compact, LTBB Statute, applicable Federal Statute or applicable Federal Regulations.

\$5000/violation Max \$25000

All citations issued against the facility license of the gaming enterprise shall be forwarded to Legal for review to ensure that the citation does not violate any covenant in an existing agreement between the Tribe or enterprise, and lenders.

V. Acronyms

- 1. IGRA – Indian Gaming Regulatory Act
- 2. NIGC – National Indian Gaming Commission Regulations
- 3. LTBB Statute – Gaming Regulatory Statute
- 4. LTBB Regulations – Regulations of the Gaming Regulatory Commission
- 5. TMICS – LTBB Tribal Minimum Internal Control Standards
- 6. Tribal/State Compact – Compact between the Little Traverse Bay Bands of Odawa Indians and the State of Michigan Providing for the Conduct of Tribal Class III Gaming