APR 10 1996

Jeffrey D. Parker
Chairman
Bay Mills Indian Community
Route 1, Box 313
Brimley, MI 49715

Dear Chairman Parker:

This letter responds to your request to review and approve the amendment to the tribal gaming ordinance of the Bay Mills Indian Community (Tribe). The amendment to the ordinance was adopted by the Tribe by Resolution No. 96-3-4E, on March 4, 1996 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 amendments to ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations.

Thank you for submitting the amendment to the tribal gaming ordinance of the Bay Mills Indian Community. The NIGC staff and I continue to look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,

/S/

Harold A. Monteau
Chairman

cc: Kathryn L. Tierney, Esq.

BAY MILLS INDIAN COMMUNITY

RURAL ROUTE NO. 1

BRIMLEY, MICHIGAN 49715

RESOLUTION

Resolution No. 96-3-4 E

WHEREAS: The Bay Mills Indian Community is a federally recognized Indian tribe with a Constitution enacted pursuant to the Indian Reorganization Act of 1934, 25 U.S.C. sec. 461, *et seq.*, and

WHEREAS: The Tribe regulates gaming on its Reservation under a compact with the State of Michigan and under its Gaming Ordinance, and

WHEREAS: The power of the Gaming Commission requires clearer definition in the Gaming Ordinance.

NOW, THEREFORE BE IT RESOLVED, that the Executive Council of the Bay Mills Indian Community hereby adopts the following amendments to the Gaming Ordinance, which underlines additions and strikes out deletions:

6.8 Suspension or Termination of Employees~~-~~ License.
(A) *Grounds for Suspension or Termination.* The Tribal Commission may suspend or terminate the license of any employee, after notice....

6.9 Temporary Suspension of Employee License.

APPROVED:

Jeffrey D. Parker, President
Bay Mills Indian Community
Executive Council

ATTEST:

Anthony Teeple, Secretary
Bay Mills Indian Community
Executive Council

Resolution No. 96-3-4 E

MAR 21 1996

CERTIFICATION

I, the undersigned, as Secretary of the Bay Mills Indian Community, do hereby certify that the above resolution was adopted and approved at a meeting of the Executive Council held at Bay Mills, Michigan, on the 4th day of March, 1996, with a vote of 3 for, 2 opposed, 0 absent, and 0 abstaining. As per provisions of the Bay Mills Constitution, the President must abstain except in the event of a tie.

Anthony Teeple, Secretary
Bay Mills Indian Community
Executive Council

MAR 2 1

5.3 Types of Licenses 23
5.4 Application Procedures 23
5.5 Threshold Criteria Which a Potential Operator Must Meet 24
5.6 License Application Fees 25
5.7 License Tax 25
5.8 Terms of License 25
5.9 Posting of Licenses 25
5.10 Gaming License Renewals 25
5.11 Annual Reports 26
5.12 Closure of a Tribal Licensed Gaming Activity 27

Section 6. Gaming Employee Requirements 28
6.1 Current and Valid Gaming Employee License Required 28
6.2 Application Procedure for Employment 28
6.3 Review Procedure 31
6.4 Scope of License 32
6.5 Licensing Period 32
6.6 Renewals 32
6.7 Requirement to Produce License Upon Request.32
6.8 Suspension or Termination of Employee Licenses 32
6.9 Temporary Suspension of Employee Gaming License 34

Section 7. Provisions of General Applicability to All Operators 35
7.1 Gaming License Required 35
7.2 Site and Operator Specified 35
7.3 License Not Assignable 35
7.4 Employee Licenses Required 35
7.5 Eligible Licensees 35
7.6 Employee Drug Tests 36
7.7 Regulations Posted or Available 36
7.8 Minimum Age to Play 36
7.9 Minimum Age to Enter Facility 36
7.10 Posting of Rules of Play 36
7.11 Equipment Rental Restrictions 36
7.12 Restrictions on Gaming Apparatus Exchange ..36
7.13 Approval of Gaming Materials Required.....36
7.14 Requisite Sale and Redemption Value 36
7.15 Record Maintenance Requirements 36
7.16 Liquor Sale Restrictions 37
7.17 Form of Payment for Chance to Play 37
7.18 Documentation of Winnings and Losses for Tax Purposes 37
7.19 Taxes, Fees and Reports Timely Transmitted..37
7.20 Response to Regulatory Inquiries 37
7.21 Display of Gaming License 37
7.22 Maintenance of Premises 37
7.23 Facility Security 37
7.24 Cooperation with Law Enforcement 37

7.25 Record Inspection 37
7.26 Gaming Occasion Restrictions 38
7.27 Discrimination Prohibited 38
7.28 Financial Record Review 38
7.29 Use of Net Proceeds 38
7.30 Reporting Requirement Compliance 38
7.31 Tribal Law Violation 38
7.32 Employee Misconduct 38

Section 8. Gross Proceeds Tax 38
8.1 Rate 38
8.2 Separate Accounting Practices 39
8.3 Tax Due Date; Accrual, Return and Signature 39
8.4 Annual Periodic Reconciliations 39
8.5 Tax Revenue Distribution 39
8.6 Internal Service Fund 39
8.7 Excess of Receipts over Expenses 40
8.8 Annual Budget 40

Section 9. Operation of Tribally-Owned or Tribally-Operated Games 40
9.1 Management by a Primary Management Official.....40
9.2 Use of Net Revenues of Tribally-Owned or Tribally- Operated Gaming Enterprises 41
9.3 Audit Requirements 41
9.4 Management Contracts 42

Section 10. Enforcement 44
10.1 Jurisdiction 44
10.2 Prohibited Acts 44
10.3 Criminal Violation 46
10.4 Civil Violation 46
10.5 Cumulative Fines 46
10.6 Purpose of Civil Penalties 47
10.7 Civil Action for Penalties 47
10.8 Seizure of Property 47
10.9 Reporting of Offenders 47

Section 11. Authorized Games 47
11.1 Games Playable 47
11.2 License Required 47

that the applicant's information has been reviewed and there exists no barrier to employment. The applicant shall be notified in writing of the Commission's decision. If the Commission votes to deny a license, it shall include within this notification the specific reasons for its decision.

(B) A copy of the application, the results of the background checks performed and the Tribal Commission's findings and decision shall be forwarded to the National Indian Gaming Regulatory Commission before a license is issued.

(C) All applications, background checks and Commission decisions shall be retained in the Commission files for a period of at least ten (10) years.

6.4 **Scope of License.**

(A) Any employee gaming licenses issued pursuant to this section shall be effective for only the location, job and employer contained in the application.

(B) Any licensed employee shall apply to have his license transferred to a new location by requesting that transfer in writing to the Tribal Commission in a manner which details the new job and location and the operator for whom s/he proposes to work.

6.5 **Licensing Period.** Any permanent employee gaming license issued pursuant to this section shall be effective for a period of one year from the date of issuance and shall contain the licensee's photograph and shall state on its face the name of the employee, the location at which s/he is licensed to work, the gaming operator who employs him, the date that the license became effective and the date that it expires.

6.6 **Renewals.** A holder of an employee gaming license shall petition to have his license renewed, by applying to the Tribal Commission for a renewal before his original license has expired and updating all information contained in the original application.

6.7 **Requirement to Produce License Upon Request.** Any person receiving an employee gaming license must carry that license upon his person during all working hours and must produce that license upon the request of any person.

6.8 **Suspension or Termination of Employee License.**

(A) Grounds for Suspension or Termination. The Tribal Commission may suspend or terminate the license of any employee, after notice and an opportunity for a

hearing, for any of the following reasons:

(1) The employee has withheld pertinent information on his application;

(2) The employee has made false statements on the application;

(3) The employee has participated in gaming activity which was not authorized by any tribal gaming license;

(4) The employee has attempted to bribe a tribal council member, Commissioner or other person in an attempt to avoid or circumvent tribal law;

(5) The employee has offered something of value or accepted a loan, financing or other thing of value from a Tribal Commission member, a subordinate employee or any person participating in any gaming activity;

(6) The employee has knowingly promoted, played or participated in any gaming activity operated in violation of tribal or federal law or the tribal/state gaming compact;

(7) The employee has been knowingly involved in the falsification of books or records which relate to a transaction connected with the operation of gaming activity;

(8) The employee has violated any provision of this Ordinance or the rules and regulations of the Tribal Commission;

(9) The employee has been convicted of, or has entered a plea of nolo contendere to, any crime involving gaming, fraud, theft, embezzlement or other activity which, if perpetrated at his operator's place of employment, would injure or pose a threat to the public interest, or the integrity of the gaming activity, or the effective regulation of gaming or enhance the dangers of unfair, unsuitable or illegal gaming practices;

(10) The employee has refused to comply with any lawful order, inquiry or directive of the Tribal Commission, the Tribal Council, the federal government or any court of competent jurisdiction;

(11) The employee has been convicted of, or entered a plea of nolo contendere to, a crime

involving the sale of illegal narcotics or controlled substances; or

(12) The employee has been determined to have present or prior activities, criminal record, if any, or reputation, habits and associations which pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming.

(B) Procedure for Suspension or Termination. Whenever it is brought to the attention of the Tribal Commission that a person has failed to comply with any of the conditions of subsection (A), above, the Tribal Commission or its designee may either undertake an investigation of the gaming enterprise, or serve upon such person or any agent of such person an order to show cause why the employee should not be subject to disciplinary action. Such notice shall state the reason for the order, the time and place for the show cause hearing before the Tribal Commission, and that the person shall have an opportunity to present testimony and cross examine opposing witnesses, and to present any other evidence as to why a disciplinary action should not be issued. The hearing shall be set for not less than ten (10) days nor more than 14 days from the date of the notice. The hearing shall be governed in all respects in accordance with tribal law and Tribal Commission regulations.

6.9 **Temporary Suspension of Employee Gaming License.**

(A) Any employee gaming license may be temporarily and immediately suspended by the Tribal Commission, the Tribal Court or the Council or its designee for not more than 30 days if any of the following have occurred:

(1) The employee has been charged with a violation of any gaming law.

(2) The employee's continued employment as a primary management official or key employee of a game or gaming enterprise poses a threat to the general public.

(3) The employee has made a material false statement in his license application.

(4) The employee has participated in gaming activity unauthorized by his tribal gaming license.