

NATIONAL
INDIAN
GAMING
COMMISSION

APP

Gary E. George
Tribal Executive Director
Confederated Tribes of the Umatilla
Indian Reservation
P.O. Box 638
Pendleton, Oregon 97801

Dear Mr. Hatch:

This letter responds to your request to review and approve the tribal gaming ordinance adopted by the Confederated Tribes of the Umatilla Indian Reservation (the Tribes) on February 22, 1994, and amended on March 30, 1994. This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, such 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.

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

Thank you for submitting the ordinance of the Confederated Tribes of the Umatilla Indian Reservation for review and approval. The NIGC staff and I look forward to working with you and the Tribes in implementing the IGRA.

Sincerely yours,

Anthony J. Hope

Anthony J. Hope
Chairman

C E R T I F I C A T E

The undersigned, Donald G. Sampson and Rose Mary Narcisse, hereby certify that they are the Chairman and Secretary, respectively, of the Board of Trustees, of the Confederated Tribes of the Umatilla Indian Reservation, and that said Board of Trustees in the Board Room of the Tribal Office/Tribal Administration Office, (Mission) Pendleton, Oregon, on March 30, 1994, a quorum of said Board was polled and the following Resolution was regularly moved, seconded, and adopted by a vote 8 to 0, 0 abstaining.

R E S O L U T I O N

WHEREAS, the Board of Trustees is the governing body of the Confederated Tribes of the Umatilla Indian Reservation (Confederated Tribes) as set forth in Article VI of the Confederated Tribes' Constitution and By-Laws as adopted on November 4, 1949; AND

WHEREAS, the Board of Trustees has adopted Resolution 94-13 in which the Gaming Ordinance was approved and the Board of Trustees was authorized to submit said Ordinance to the National Indian Gaming Commission (NIGC) for its review and approval as required under the Indian Gaming Regulatory Act (IGRA); AND

WHEREAS, representatives of the Confederated Tribes met with NIGC legal counsel on March 24, 1994 to review NIGC's comments on the Gaming Ordinance; AND

WHEREAS, the NIGC requires minor, non substantive changes to certain defined terms in the Gaming Ordinance so that they are consistent with NIGC regulations under IGRA. AND BE IT FINALLY

RESOLVED, that the Board of Trustees does hereby amend the Gaming Ordinance adopted by Resolution 94-13 as follows:

1. Section 4 B(16) shall be changed to (17) and shall read as follows:

"Key Employee" means all those employees defined as Low Security Employees and High Security Employees herein.

2. Section 4 B shall be amended to add a new definition at (16) as follows:

16. "Influential Employee" means any officer or any Person who can affect the course of business, make decisions, or in is in a sensitive position. An influential Employee as defined in this Ordinance shall have the same meaning as a key employee as defined in the Compact.

3. Section 4 B (23) should be changed to (24) and shall read as follows:

24. "Net Revenues" means gross gaming revenues of an Indian gaming operation less--

(a) Amounts paid out as, or paid for, prizes;

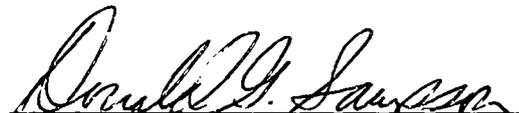
and

(b) Total gaming-related operating expenses, excluding management fees.

4. All references to the terms Influential Employee, Key Employee and Net Revenues in the Gaming Ordinance shall be changed consistent with the above definitions as provided in the attached Gaming Ordinance.

AND that said Resolution has not been modified, amended or repealed and is still in full force and effect.

Dated this 30th day of March, 1994.


Donald G. Sampson, Chairman
Board of Trustees

ATTEST:


Rose Mary Narcisse, Secretary
Board of Trustees

C E R T I F I C A T E

The undersigned, Donald G. Sampson and Rose Mary Narcisse, hereby certify that they are the Chairman and Secretary, respectively, of the Board of Trustees, of the Confederated Tribes of the Umatilla Indian Reservation, that at a duly called and held meeting of said Board at the Board Room of the Tribal Office/Tribal Administration Building, Pendleton, Oregon, on February 22, 1994, a quorum of said Board was present and the following Resolution was regularly moved, seconded, and adopted by a vote of 5 to 0, 0 abstaining.

R E S O L U T I O N

WHEREAS, the Board of Trustees is the governing body of the Confederated Tribes of the Umatilla Indian Reservation (Confederated Tribes) as set forth in Article VI of the Confederated Tribes' Constitution and Bylaws as adopted on November 4, 1949; AND

WHEREAS, the Board of Trustees has adopted Resolutions 92-17, 93-03, 93-47 and 93-48, which Resolutions adopted a policy of pursuing the economic development and employment opportunities provided by the development of a Tribal Gaming Facility, the selection of a management firm to manage the Tribal Gaming Facility and the negotiation and adoption of the Compact between the Confederated Tribes and the State of Oregon for the conduct of Class III gaming; AND

WHEREAS, the Indian Gaming Regulatory Act, Public Law 100-497, 25 U.S.C. § 2701 et seq., adopted by Congress on October 12, 1988, sets forth the requirements for the conduct of Class II and Class III gaming, which requirements include the adoption of a Gaming Ordinance for Class II and Class III gaming and the approval of said Ordinance by the National Indian Gaming Commission; AND

WHEREAS, the Confederated Tribes' current Bingo Ordinance is inadequate to meet the needs of the Class II and Class III gaming authorized in the Board of Trustees Resolutions and documents referenced above; NOW THEREFORE, BE IT

RESOLVED, that the Board of Trustees does hereby adopt the attached Gaming Ordinance to govern the conduct of all Class II and Class III gaming on Indian Lands, within the Umatilla Indian Reservation; AND BE IT FURTHER

RESOLVED, that the Chairman of the Board of Trustees is hereby authorized to submit the attached Gaming Ordinance, along with all supplemental information required by federal regulations, to the National Indian Gaming Commission for their review and approval; AND BE IT FINALLY

RESOLVED, that the Board of Trustees hereby directs the Tribal Executive Director to publish notices on the Tribal Gaming Commission positions that need to be filled so that enrolled members of the Confederated Tribes and other qualified persons may submit applications for the Commission positions, which positions need to be immediately filled so that the Commission members can be trained regarding the regulation of the Tribal Gaming Facility and can begin the process of promulgating regulations necessary for the proper conduct of Class II and Class III gaming in the Tribal Gaming Facility.

And that said Resolution has not been modified, amended or repealed and is still in full force and effect.

Dated this 22nd day of February, 1994.


Donald G. Sampson, Chairman
Board of Trustees

A T T E S T:


Rose Mary Narcisse, Secretary
Board of Trustees

Confederated Tribes of the Umatilla Indian Reservation
Gaming Ordinance

February 22, 1994

Confederated Tribes of the Umatilla Indian Reservation
Tribal Gaming Ordinance

Section 1.	Title	1
Section 2.	Findings	1
Section 3.	Purposes	1
General Provisions		2
Section 4.	Defined Terms	2
Section 5.	Gaming Authorized and Regulated.	6
Section 6.	Use of Revenues from Class II and Class III Gaming Activities	7
Section 7.	Gaming Facility	7
Section 8.	Minors, Employees Prohibited	7
Section 9.	Prizes: Assignment and Forfeiture	8
Administration		8
Section 10.	Gaming Commission	8
Section 11.	Licensing	11
Section 12.	License Fees: Application Fees and Renewal	12
Section 13.	License: Qualifications and Requirements	13
Section 14.	National Indian Gaming Commission Review of Employee Licenses	24
Section 15.	License Suspension and Revocation.	25
Class II Gaming		27
Section 16.	Definitions.	27
Section 17.	Authorization to Conduct Class II Gaming	27
Section 18.	Management Contracts	28
Section 19.	Games Permitted	28
Section 20.	Bingo Game Cards	28
Section 21.	Player Limitation	28
Section 22.	Entry Prohibited	29
Section 23.	Hours of Operation; Notice to Commission	29
Class III Gaming		30
Section 24.	Exclusive ownership by Tribes	30
Section 25.	Authorized Operation	30
Section 26.	Management Contracts.	30
Section 27.	Games Permitted	30
.		31
Section 28.	Regulation and Inspection	31
Section 29.	Hours of Operation	31
Records and Audits		31
Section 30.	Records Maintenance	31
Section 31.	Independent Audits	32

Violations Procedures 32

 Section 32. Resolution of Disputes Between Gaming Facility Customer and Manager 32

 Section 33. Crimes; Penalties 33

 Section 34. Civil Penalties 34

 Section 35. Enforcement 34

Validity of Ordinance 34

 Section 36. Severability 34

 Section 37. Repeal of Inconsistent Tribal Law 34

 Section 38. Effective Date of Ordinance 35

CONFEDERATED TRIBES OF THE UMATILLA INDIAN RESERVATION
GAMING ORDINANCE

Section 1. Title.

This Ordinance shall be known as the Confederated Tribes of the Umatilla Indian Reservation Gaming Ordinance.

Section 2. Findings.

The Board of Trustees of the Confederated Tribes of the Umatilla Indian Reservation, finds that:

A. The Confederated Tribes of the Umatilla Indian Reservation has the exclusive authority to regulate Class I and II gaming activities on Indian Lands as defined at 25 U.S.C. § 2703(4)(b) within the Umatilla Indian Reservation; and

B. The Confederated Tribes of the Umatilla Indian Reservation is authorized to operate, License and regulate Class III Gaming on Indian Lands, as defined at 25 U.S.C. § 2703 (4)(b), within the Umatilla Indian Reservation, provided it has entered into, and operates Class III Gaming consistent with, a compact entered into between the Tribes and the State of Oregon; and

C. It is essential to the health, safety and general welfare of the Confederated Tribes of the Umatilla Indian Reservation and the visitors to Umatilla Indian Reservation that standards and regulations be promulgated to govern the conduct of gaming activities on Umatilla Indian Lands.

Section 3. Purposes.

The purposes of this Gaming Ordinance are to:

A. Provide standards and regulations governing the conduct of gaming activities on Umatilla Indian Lands within the Umatilla Indian Reservation;

B. Promote Tribal economic development;

C. Enhance employment opportunities for Tribal members;

D. Strengthen the economy of the Confederated Tribes of the Umatilla Indian Reservation; and

E. Generate revenue for use in improving the health, education and general welfare of enrolled members of the Confederated Tribes of the Umatilla Indian Reservation.

I. General Provisions

Section 4. Defined Terms

A. Use of a Defined Term.

Whenever a term that is defined in this Section is used in this Ordinance, it shall be capitalized to indicate the term is one defined by the Ordinance.

B. Definitions.

1. "Act" or "I.G.R.A." means the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 et seq.

2. "Bingo" means the game of chance (whether or not electronic, computer or other technological aids are used in connection therewith) which is played for Prizes, including monetary Prizes, with cards bearing numbers or other designations; in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined; and in which the game is won by the first Person covering a previously designated arrangement of numbers or designations on such cards. "Bingo" includes, if played at the same location, pull tabs, lotto, punch boards, tip jars, and other games similar to Bingo.

3. "Board of Trustees" means the governing body of the Confederated Tribes of the Umatilla Indian Reservation as set forth in Article VI of the Tribes' Constitution and Bylaws.

4. "Class I Gaming" means all forms of gaming which are defined as "Class I Gaming" in I.G.R.A., which includes social games played 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.

5. "Class II Gaming" means all forms of gaming which are defined as "Class II Gaming" in I.G.R.A. and shall include, but not be limited to, the following forms of gaming: Bingo, lotto, pulltabs and punch boards, tip jars and Non-Banking Card Games, when played in conformity with 25 U.S.C. § 2703(7).

6. "Class III Gaming" means all forms of gaming that are not Class I Gaming or Class II Gaming, as defined in I.G.R.A.

7. "Class II Gaming Contract" means a contract for the provision of any goods or services for the conduct of Class II Gaming.

8. "Class III Gaming Contract" means a contract for the provision of any goods or services for the conduct of Class III Gaming.

9. "Class II Gaming Contractor" is any individual, business or other Entity that applies for or is a party to a Class II Gaming Contract.

9. "Class III Gaming Contractor" is any individual, business or other Entity that applies for or is a party to a Class III Gaming Contract.

10. "Compact" means the Compact by and between the Confederated Tribes of the Umatilla Indian Reservation and the State of Oregon setting forth an agreement for operation of Class III Gaming on Umatilla Indian Reservation within the State of Oregon.

11. "Entity" means any organization, including any division, department or other unit therein, and includes, but shall not be limited to, a public or private corporation, partnership, joint venture, voluntary or unincorporated association, organization, proprietorship, trust, estate, commission, bureau, department of governmental agency except that "Entity" shall not include the Confederated Tribes of the Umatilla Indian Reservation.

12. "Gaming Commission" or "Commission" means the Tribal Gaming Commission, created by this Ordinance.

13. "Gross Receipts" means the total receipts from the conduct of gaming activities.

14. "High Security Employee" means any Person with responsibility for the management or operation of the Class III Gaming activities or access to gaming terminals or cash.

High Security Employee shall include the following positions:

a.) counting room supervisor, chief of security, custodian of gaming supplies or cash, pit boss, approver of credit and custodian of gambling devices or Video Lottery Terminals including Persons with access to cash and accounting records within such devices;

b.) If not otherwise included as a Low Security Employee or Primary Management Official, any other person whose total cash compensation is in excess of \$50,000 per year; and

c.) If not otherwise included as a Low Security Employee or Primary Management Official, the four most highly compensated persons in the Tribal Gaming Facility.

15. "Indian Lands" or "Umatilla Indian Lands" means all lands within the exterior boundaries of the Umatilla Indian Reservation; and any lands title to which is either held in trust by the United States for the benefit of the Confederated Tribes of the Umatilla Indian Reservation or individual Tribal member or held by any Indian tribe or individual Tribal member subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

16. "Key Employee" means any officer or any Person who can affect the course of business, make decisions, or is in a sensitive position.

17. "License" or "Licensed" means a Tribal gaming License, or having a valid Tribal gaming License, issued by the Confederated Tribes of the Umatilla Indian Reservation by the Tribal Gaming Commission pursuant to this Ordinance.

18. "Lottery" means any scheme for the disposal or distribution of property, by chance, among Persons who have paid or any valuable consideration for the chance of obtaining such property, or a portion of it, or for any share or any interest in such property upon any agreement, understanding or expectation that it is to be distributed or disposed of by lot or chance, whether called a Lottery, raffle or gift enterprise, or by whatever name the same may be known.

19. "Low Security Employee" means any Person employed to work in a gaming area with no responsibility for management or operation of the Class III Gaming activities and no access to inside gaming terminals or cash. Low Security Employee shall include the following: Bingo caller, croupier and card dealers.

20. "Major Procurement" means any procurement action or contract for:

1. The printing of tickets used in any Class III Gaming;
2. Any goods or services involving the receiving or recording of number selections in any Class III Gaming;
3. Any goods, services, or products involving the determination of winners in any Class III Gaming; or
4. Video devices.

21. "Minor Procurement" means any procurement action or contract related to Class III Gaming that is neither a Major Procurement nor a Sensitive Procurement. A typical example of this

class of procurement is a contract to change the external appearance of a Video Terminal.

22. "National Indian Gaming Commission" or "NIGC" means the National Indian Gaming Commission, created by the Act.

23. "Net Profits" means the total Gross Receipts from a gaming operation, less all reasonable sums actually expended for conducting said games, gaming supplies and equipment, Prizes, facilities, janitorial services, security services, rent, employees, criminal investigation and prosecutions, or other reasonable operating expenses except that management fees shall not be deducted to determine Net Profits.

24. "Non Banking Card Games" means any card game in which two or more Players play against each other and the Players do not wager against the house. Non-Banking Card Games played in conformity with State law regulating hours of play, wagers and pot limits is Class II Gaming. All other Non-Banking Card Games are Class III games.

25. "Player" means any Person participating in gaming activity, who is participating with the reasonable expectation of, or for the chance of, receiving a Prize of some value.

26. "Primary Management Officials" means:

(a) The Person having management responsibility for a management contract;

(b) Any Person who has authority;

(1) To hire and fire employees; or

(2) To set up working policy for the gaming operation; or

(c) The chief financial officer or other Person who has financial management responsibility.

27. "Prize" means any U.S. currency, cash or other property or thing of value awarded to a Player or Players, or received by a Player or Players as a result of their participation in a gaming activity.

28. "Secretary" means the Secretary of the Interior.

29. "Sensitive Procurement" means any procurement action or contract for goods or services, other than a Major Procurement, that may either directly or indirectly affect the integrity, security, honesty, and fairness of the operation and administration of Class III Gaming. A typical example of this class of

procurement is the acquisition of security systems required to protect the security and integrity of the Class III Gaming.

30. "State" means the State of Oregon.

31. "Tribal Court" means the Umatilla Tribal Court.

32. "Tribal Gaming Facility" or "Gaming Facility" means the building proposed to be constructed as of the date of execution of the Compact, by the Tribes on Tribal trust lands within the Umatilla Indian Reservation immediately north and east of exit 216 on Interstate 84, more specifically described in Exhibit 1 to the Compact. If the size of the Gaming Facility is expanded as otherwise provided in the Compact, the term "Gaming Facility" shall thereafter refer to the expanded facility.

33. "Tribal Gaming Operation" means any Class II or Class III Gaming operation conducted on Umatilla Indian Lands.

34. "Tribes" means the Confederated Tribes of the Umatilla Indian Reservation within the State of Oregon, recognized by the Secretary of the Interior, and having special rights of self government. Tribes shall also include Tribal agencies and officials.

35. "Video Lottery Terminal" or "Terminal" means an electrical or electromechanical device, component, or Terminal that displays a ticket through the use of a video display screen, and that is available for consumer play upon payment of any consideration, with winners determined by the application of the element of chance and the amount won determined by the possible Prizes displayed on the device.

Section 5. Gaming Authorized and Regulated.

A. Class I Gaming is authorized on Indian Lands, and may be conducted by any Person. Class I Gaming shall not be regulated by this Ordinance.

B. Class II Gaming is authorized on Indian Lands. Class II Gaming shall be regulated by the Tribal Gaming Commission and shall only be operated consistent with the provisions of this Ordinance and I.G.R.A.

C. Class III Gaming is authorized on Indian Lands. Class III Gaming shall be regulated by the Tribal Gaming Commission and shall only be operated consistent with this Ordinance, the Compact and I.G.R.A.

Section 6. Use of Revenues from Class II and Class III Gaming Activities.

Tribal revenues from Class II and Class III Gaming activities shall be used only to:

1. fund Tribal government operations, programs or businesses;
2. provide for the general welfare of the Umatilla Indian Reservation or Tribal members (if the Board of Trustees elects to make per capita distributions, the per capita distribution plan must be approved by the Secretary of the Interior prior to implementation as required by the Act);
3. promote economic development within the Umatilla Indian Reservation;
4. donate to charitable organizations.

Section 7. Gaming Facility.

A. To ensure that the environment and the public safety and welfare are adequately protected, the Tribal Gaming Facility shall be constructed and maintained in compliance with applicable Tribal and federal laws, including but not limited to fire codes, safety codes and building codes. Tribal ordinances and regulations governing health and safety standards applicable to the Gaming Facility shall be at least as rigorous as standards imposed by the laws and regulations of the State of Oregon.

B. The Tribal Gaming Facility shall be subject to inspection to insure compliance, annually or on such basis as the Tribal building inspector, or if none, the Tribal Gaming Commission, determines is necessary and appropriate.

Section 8. Minors, Employees Prohibited.

A. No Person under the age of 18 years shall be permitted to play any Class II game or the Class III games of keno and off-track parimutuel betting.

B. No Person under the age of 21 years shall be permitted to play any Video Lottery Terminal.

C. No Person who is employed at a Class II or Class III Gaming Facility may play any game conducted therein while on duty or while in uniform.

Section 9. Prizes: Assignment and Forfeiture.

A. Not Assignable, exception.

The right of any Person to a Prize shall not be assignable except that payment of any Prize may be made to the estate of a deceased Prize winner or to a Person pursuant to an order of the Tribal Court.

B. Forfeiture.

1. Any unclaimed Prize of a Class II or Class III Gaming activity shall be retained by the owner of gaming activity or enterprise for ninety days after the Prize is available to be claimed. Any Person who fails to claim a Prize during such time shall forfeit all rights to the Prize, and the amount of the Prize shall be awarded to the Tribes.

2. Any Prize won by a Person under the age of eighteen (18), or in the case of Video Lottery Terminals under the age of twenty-one (21), shall be forfeited as a violation of Section 8 of this Ordinance. Any such Prize shall be awarded to the Tribes, and the approximate consideration paid by the underaged Player shall be refunded to the Player.

II. Administration

Section 10. Gaming Commission.

A. Establishment and Composition.

1. There is hereby created the Tribal Gaming Commission.

2. The Tribal Gaming Commission shall be comprised of a Gaming Commissioner, four (4) members and an alternate.

B. Qualifications and Appointment.

1. The Gaming Commissioner and Commission members shall be appointed by the Board of Trustees, and shall possess and demonstrate as minimum qualifications:

a. Knowledge and experience in the commercial gaming industry;

b. Familiarity with the Act;

c. Knowledge, experience or familiarity with law enforcement; or

d. Experience in and knowledge of administration and administrative procedure.

2. The Gaming Commission and all Commission members shall be from among the Tribes' General Council membership except that the Board of Trustees may appoint non-member Indians or non-Indians to the Gaming Commission because of their demonstrated expertise in critical areas of gaming regulation or law enforcement. At no time shall there be more than two Gaming Commissioners who are not members of the Tribes. It shall be an objective of the Gaming Commission to insure that Commission members enrolled in the Tribes shall be trained to assume full responsibility to regulate the Tribal Gaming Facility as soon as practicable.

3. Appointments of the Commissioner and members shall be for a period of four (4) years, except that of the initial members one shall be one year, one for two (2) years, one for three (3) years and one for four (4) years, which will result in staggered appointment and provide continuity within the Commission. The Commissioner and all members may be re-appointed for one or more successive terms.

4. No Person shall be appointed to the Gaming Commission unless the Board of Trustees is satisfied that:

a. He or she is a Person of good character, honesty and integrity, who's prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of the Tribes, its members 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 conducting of gaming or the carrying on of the business and financial arrangements incidental thereto; and

b. He or she has no interest in any private gaming activity on Umatilla Indian Lands or any activity which may have interests in conflict with the Tribal Gaming Operation.

5. The Gaming Commissioner and Commission members may be removed for good cause, after written notice and opportunity to be heard by the Board of Trustees. Good cause shall exist when any condition occurs or is discovered which would exclude a Person from appointment. The decision of the Board of Trustees shall be final.

C. Duties and Powers.

The Gaming Commission shall administer the provisions of this Ordinance and shall have all powers necessary therefore. In exercise of its duties, the Commission shall:

1. Promulgate such rules and regulations as may be necessary and desirable for the proper implementation of this Ordinance;

2. Identify and define the rules of play for each Class II and Class III game permitted;

3. License, inspect and oversee all gaming activities and Persons employed in gaming activities conducted on Indian Lands;

4. Conduct or cause another Entity to conduct background investigations of Key Employee, Primary Management Official, High Security Employee and Low Security Employee Applicants;

5. Insure the Tribal Gaming Facility is operated in compliance with the Compact and I.G.R.A.

6. Carry on a continuous study and investigation of Class II and Class III Gaming on Indian Lands for the purpose of:

a. Ascertaining any defects in or abuses of the standards and regulations in this Ordinance or applicable rules and regulations;

b. Formulating recommendations for changes in the standards and regulations in this Ordinance and any and all applicable rules and regulations;

c. Preventing abuses and evasions of the standards and regulations prescribed by this Ordinance and applicable rules;

7. Report to the Board of Trustees on any matters related to gaming which are deemed by the Gaming Commission to constitute an emergency requiring immediate action;

8. Take any action it deems necessary and appropriate for violation(s) of this Ordinance, applicable rules and/or regulations, including but not limited to License suspension, revocation, prosecution, referral for prosecution, or civil suit; and

9. Employ such employees as are necessary to carry out the specific and general powers and duties of the Commission. Commission employees shall meet all License requirements of High Security Employees.

D. Compensation.

The Gaming Commissioner, Commission members, and Commission employees shall be reasonably compensated, as determined by the

Board of Trustees in the annual Tribal budgeting process. The compensation shall be paid from the Tribes' income from gaming activities.

Section 11. **Licensing.**

A. Authority to License.

1. The Tribal Gaming Commission shall have the sole and exclusive authority to License and regulate Class II and Class III Gaming operations on Umatilla Indian Lands which are now, or may hereafter, be permitted by federal law, this Ordinance and the Compact.

2. Class I Gaming shall not be regulated by this Ordinance and no Licensing shall be required for Class I Gaming.

B. Types of Licenses to be Issued.

1. The Gaming Commission shall issue the following Licenses for gaming on Umatilla Indian Lands:

- a. Primary Management Official License
- b. High Security License
- c. Low Security License
- d. Facility License
- e. Class III Gaming Contractor's License
- f. Class II Gaming Contractor's License
- g. Other Licenses necessary and appropriate

2. Licenses shall be issued for Class II or Class III Gaming, and shall indicate the type and class of License on the face of the License. A combined Class II and Class III License may be issued if appropriate.

C. Privacy Act Notice on Application Forms.

1. The following notice shall be placed on the License application form before that form is filled out by an applicant:

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by National

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

2. Applicants shall be notified in writing that they shall either:

a. Complete a new License application form that contains a Privacy Act notice; or

b. Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice.

3. The following notice shall be placed on the License application form before that form is filled out by an applicant:

A false statement on any part of your License application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment. (U.S. Code, title 18, section 1001.)

4. The Tribes shall notify in writing applicants that they shall either:

a. Complete a new application form that contains a notice regarding false statements; or

b. Sign a statement that contains the notice regarding false statements.

Section 12. License Fees: Application Fees and Renewal.

A. Any Person making application for a Tribal gaming License pursuant to this Ordinance shall submit his or her application, required forms and information, and an application fee, as established by the Tribal Gaming Commission pursuant to this Ordinance.

B. A licensee shall, at least sixty (60) days prior to the expiration of their License make application for renewal, as required by the Gaming Commission, and shall submit the application, required forms and information together with a renewal fee equivalent to 100% of the then prevailing License fee.

C. The Commission shall have the authority to establish the License application fees provided in this Section by regulation. The basis for any such License fee shall reflect the costs incurred by the Tribal Gaming Commission associated with the issuance of Gaming Licenses, including background checks.

D. The Commission shall be authorized to collect payment for License fees by lump sum payment, monthly payment plan, payroll deduction or any other means deemed appropriate by the Commission.

Section 13. License: Qualifications and Requirements.

A. Licensing of Gaming Employees.

1. All Primary Management Officials, High Security Employees and Low Security Employees to be employed in the Gaming Facility shall be Licensed by the Tribal Gaming Commission in accordance with the provisions of the Compact.

2. All prospective employees of the Gaming Facility -- Primary Management Officials, High Security Employees and Low Security Employees -- shall provide to the Tribal Gaming Commission any required application fees and the following information:

- a. Full name, including any aliases by which the applicant has been known;
- b. Social security number;
- c. Date and place of birth;
- d. Citizenship;
- e. Gender;
- f. All languages spoken or written;
- g. Residential addresses for the past five years;
- h. Employment history for the past five years;
- i. Ownership interests in any business for the past five years and address of any such business;

j. Description of any existing or previous business relationships, including prior employment, with any Indian tribe and, if applicable, any ownership interest of such business;

k. The names and current addresses of at least three (3) personal references, including one (1) personal reference who was acquainted with the applicant during each period of residence listed under subparagraph (g) of this paragraph;

l. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;

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

n. The name and address of any licensing or regulatory agency with which the applicant has filed an application for a license or permit relating to gaming, whether or not such license or permit was granted;

o. Current driver's license number and any other driver's license held in the last five years;

p. All criminal proceedings, except for minor traffic offenses, to which the applicant has been a party;

q. A current photograph;

r. Any other information required by the Gaming Commission.

3. In addition to the requirements of paragraph 2 of this subsection, prospective Primary Management Officials, High Security Employees and Low Security Employees shall provide a set of fingerprints. The Umatilla Tribal Police Department shall be responsible for fingerprinting License applicants.

4. The Tribal Gaming Commission shall forward the applicant information to the State, along with the application fee described in subsection C of this Section. The Oregon State Police shall conduct a background investigation on all prospective Primary Management Officials, High Security Employees, and provide a written report to the Tribal Gaming Commission within a reasonable period of time, but in no event shall such background checks exceed thirty (30) days without notice to and consent of the Tribal Gaming Commission. The Tribal Gaming Commission shall forward the applications for Low Security Employees, and any applicable application fees, to the Oregon State Police or the Umatilla Tribal Police Department, as the Gaming Commission determines appropriate

for a background investigation. The law enforcement agency doing the background check shall submit a written report on the background investigation done on the Low Security Employee within 30 days to the Tribal Gaming Commission.

5. a. The Tribal Gaming Commission shall deny a gaming License to any prospective High Security Employee or Primary Management Official who has committed any of the following crimes under the law of any jurisdiction, or is the subject of a civil judgment in any jurisdiction that is based upon facts that constitute the elements of any of the following crimes:

- (1) Aggravated murder; murder in the first degree
- (2) Assault (in the first or second degree)
- (3) Kidnapping in the first degree
- (4) Rape in the first degree
- (5) Sodomy in the first or second degree
- (6) Unlawful sexual penetration in the first degree
- (7) Sexual abuse in the first or second degree
- (8) Any crime related to child pornography
- (9) Forgery in the first degree
- (10) Possession of a forgery device
- (11) Unlawful factoring of a credit card transaction
- (12) Falsifying business records
- (13) Sports bribery or receiving a sports bribe
- (14) Making a false financial statement
- (15) Obtaining execution of a document by deception
- (16) Theft by extortion
- (17) Arson in the first degree
- (18) Computer crime
- (19) Robbery in the first or second degree
- (20) Bribery
- (21) Bribing a witness
- (22) Perjury
- (23) Any theft accomplished by manipulation of records; e.g., embezzlement
- (24) Promotion of unlawful gambling
- (25) Conviction of any crime if the original charge was promotion of unlawful gambling, and a lesser charge was plea-bargained
- (26) Tax evasion

b. The Tribal Gaming Commission shall deny a gaming License to any prospective High Security Employee or Primary Management Official who has associated in a business relationship, whether as a partner, joint venturer or employer, with any other Person who has been convicted of one of the crimes listed in subparagraph a. of this paragraph. The Tribal Gaming Commission shall deny a gaming License to any prospective High Security Employee or Primary Management Official who was employed by any

other Person who has been convicted of one of the crimes listed in subparagraph a. of this paragraph, if the prospective employee or official was in any way involved in or aware of the criminal activity as it occurred.

c. The Tribal Gaming Commission shall deny a gaming License to any prospective High Security Employee or Primary Management Official if:

- (1) The applicant fails to disclose any material fact to the Tribes or their authorized agents during a background or security investigation; or
- (2) The applicant misstates or falsifies a material fact to the Tribes during a background or security investigation.

d. The Tribal Gaming Commission may deny a gaming License to any prospective High Security Employee or Primary Management Official for any reason the Tribal Gaming Commission deem sufficient. Such decisions to grant or deny a gaming License shall be consistent with the principles set forth in subsection A of section 6 of the Compact. In determining whether to deny a gaming License to any prospective High Security Employee or Primary Management Official, the factors to be considered by the Tribal Gaming Commission shall include, but need not be limited to, the following:

- (1) The applicant has been convicted of any crime (other than a crime listed in subparagraph a. of this paragraph) in any jurisdiction;
- (2) the applicant has associated with Persons or businesses of known criminal background, or Persons of disreputable character, that may adversely affect the general credibility, honesty, integrity, security, fairness or reputation of the Tribal Gaming Commission gaming operation; or
- (3) There is any aspect of the applicant's past conduct that the Tribes determine would adversely affect the honesty, integrity, security or fairness of Tribal gaming operation.

e. The Tribal Gaming Commission shall deny a License to any prospective Low Security Employee who does not meet the criteria established in sub-subparagraphs (1) to (5) of this subparagraph. The Tribal Gaming Commission may deny a License to any prospective Low Security Employee, who does not meet the

criteria establishment in sub-subparagraphs (6) to (26) of this subparagraph or in subparagraphs c. or d. of this paragraph. Decisions to grant or deny a Low Security Employee License shall be consistent with the principles set forth in subsection A of section 6 of the Compact.

f. The Tribal Gaming Commission may reject an application if the applicant has not provide all of the information requested in the application.

6. Denial of employment or a License by the Tribal Gaming Commission is final.

7. Waiver of Disqualifying Criteria.

a. If a prospective Primary Management Official, High Security Employee, or Low Security Employee is disqualified for licensing or employment under the provisions of paragraph 5. above, and the Tribal Gaming Commission believes that there are mitigating circumstances that justify waiver of the disqualifying factor, the Tribal Gaming Commission may give written notice to the State asking to meet and confer concerning waiver of the disqualification. The Tribal Gaming Commission and the State shall meet within 15 days after written notice is given.

b. In order to waive disqualification of licensing or employment of any prospective Primary Management Official, High Security Employee, or Low Security Employee, both the Tribal Gaming Commission and the State must agree on the waiver.

c. Waiver of disqualification of licensing or employment may be based on one or more of the following circumstances:

- (1) Passage of time since conviction of a crime;
- (2) The applicant's age at the time of conviction;
- (3) The severity of the offense committed;
- (4) The overall criminal record of the applicant;
- (5) The applicant's present reputation and standing in the community;
- (6) The nature of the position for which the application is made.

8. Temporary licensing of employees.

a. The Tribal Gaming Commission may issue a temporary License to High Security Employees 30 days after

submission of the application to the Oregon State Police. The temporary License shall expire and become void upon completion of the background check and award or denial of a permanent License.

b. The Tribal Gaming Commission may employ Low Security Employees on probation 10 days after submission of the application to the Oregon State Police. Any Low Security Employee shall be subject to immediate termination during probation if the Tribal Gaming Commission determines that the employee does not meet the criteria established in sub-subparagraphs (1) to (5) of subparagraph a. above.

9. Background investigation during employment. The Tribal Gaming Commission may request the State to conduct additional background investigations of any gaming employee at any time during the term of employment. The State shall report to the Tribal Gaming Commission any cause for the revocation of License and dismissal of any employee under the criteria established in paragraph 5 of subsection A above, and furnish the Tribal Gaming Commission with copies of all relevant information. The Tribal Gaming Commission shall review the State's report and supporting materials and if the Tribal Gaming Commission concludes that good cause for dismissal is shown under the criteria established in paragraph 5 of subsection A above, the subject employee may be dismissed. An employee shall be dismissed if the Tribal Gaming Commission would have been required to deny a License and employment to that employee under the provisions of paragraph 5 of this subsection.

10. Duration of License and renewal. Any employee License shall be effective for not more than three (3) years from the date of issue except that a Licensed employee who has applied for renewal may continue to be employed under the expired License until final action is taken on the renewal application in accordance with the provisions of paragraphs 2 to 5 of subsection A above. The effective date and period shall be stated on the face of the License. Applicants for renewal shall provide a renewal fee and updated information to the Tribal Gaming Commission but will not be required to resubmit historical data already provided.

11. Revocation of License.

a. The Tribal Gaming Commission may revoke the License of any employee pursuant to regulations promulgated by the Tribal Gaming Commission. The Tribal Gaming Commission shall revoke the License of any employee upon determination that an event has occurred that would have prohibited the Tribal Gaming Commission from licensing the employee under the criteria described in paragraph 5 of subsection A above.

b. If, after the issuance of a gaming License, the Tribal Gaming Commission receives from the NIGC reliable

information indicating that a Primary Management Official, High Security Employee or Low Security Employee is not eligible for employment under I.G.R.A., the Tribal Gaming Commission shall suspend such License and shall notify in writing the licensee of the suspension and the proposed revocation.

c. The Tribal Gaming Commission shall notify the licensee of a time and a place for a hearing on the proposed revocation of a License.

d. After a revocation hearing, the Tribal Gaming Commission shall decide to revoke or to reinstate a gaming License. The Tribal Gaming Commission shall notify the NIGC of its decision.

12. The decision of the Tribal Gaming Commission to grant a License to a Primary Management Official, High Security Employee or Low Security Employee is subject to the review and approval of the NIGC as provided in Section 14 of this Ordinance.

13. The Tribal Gaming Commission shall insure that the Primary Management Officials maintain a procedural manual for employees that includes rules and regulations of conduct and disciplinary standards for breach of procedures and that prohibits violations of this Ordinance, I.G.R.A., the Compact and other applicable law.

B. Contracts with Manufacturers and Suppliers.

1. The Primary Management Officials shall contract with all manufacturers or suppliers of goods or services related to the play of Class III games authorized by the Compact before conducting any business related to Class III games.

2. The Tribal Gaming Commission shall submit any proposed Class III Gaming Contract to the State for review and comment, and for a background investigation of the contract License applicant. The Tribal Gaming Commission may require that Class II Gaming Contract or applicants be subject to background investigation by the State or Tribal Police Department.

3. A background investigation may be conducted by the State on all Class III Gaming Contract applicants or contractors. The level of investigation will be determined by whether the individual procurement is classified as a Major Procurement, Minor Procurement or Sensitive Procurement. The level of investigation for a Major Procurement and Sensitive Procurement shall be more intense than that for a Minor Procurement.

4. All Class II and III Gaming Contract applicants, and any owner or Key Employee of an applicant, shall provide all Personal and business information required by the Tribal Gaming Commission and/or State to conduct the background investigation.

5. The Tribes shall not enter into any Class III Gaming Contract that does not grant the State or the Tribal Gaming Commission access to the contractor's business and financial records. The Tribes shall not enter into any Class II Gaming Contract that does not grant the Tribal Gaming Commission access to the contractor's business and financial records.

6. Criteria for Denial of Contract Application.

a. The Tribal Gaming Commission shall deny a Class III Gaming Contract application for a Major or Sensitive Procurement if the applicant, or any owner or Key Employee of the applicant has been convicted of a crime, or is the subject of a civil judgment based upon facts that constitute the elements of a crime described in subparagraph a of paragraph 5 of subsection A above.

b. The Tribal Gaming Commission shall deny a Class III Gaming Contract application for a Major or Sensitive Procurement if the applicant, or any owner or Key Employee of the applicant, has associated in a business relationship, whether as a partner, joint venturer or employer, with any other Person who has been convicted of one of the crimes listed in subparagraph a of paragraph 5 of subsection A above. The Tribal Gaming Commission shall deny a Class III Gaming Contract to any applicant, if the applicant, or any owner or Key Employee of the applicant, was employed by any other Person who has been convicted of one of the crimes listed in subparagraph a of paragraph 5 of subsection A of this section, if the applicant, owner or Key Employee was in any way involved in or aware of the criminal activity as it occurred.

c. The Tribal Gaming Commission shall deny a Class III Gaming Contract application for a Minor Procurement if the applicant, or any owner or Key Employee of the applicant, has been convicted of a crime described in sub-subparagraphs (1) to (5) of subparagraph a of paragraph 5 of subsection A of this section, or is the subject of a civil judgment based upon facts that constitute the elements of a crime described in sub-subparagraphs (1) to (5) of subparagraph a of paragraph 5 of subsection A of this section.

d. The Tribal Gaming Commission shall deny a Class III Gaming Contract License application if:

- (1) The applicant fails to disclose any material fact to the Tribal Gaming Commission or the State or their authorized agents during a background or security investigation; or
- (2) The applicant misstates or falsifies a material fact to the Tribal Gaming Commission or the State during a background or security investigation.

e. The Tribal Gaming Commission may deny any Class III Gaming Contract License application for any reason the Tribal Gaming Commission deems sufficient. Such decisions to deny a Class III Gaming Contract application shall be consistent with the principles set forth in subsection A of section 6 of this Compact. In determining whether to deny a Class III Gaming Contract application, the factors to be considered by the Tribal Gaming Commission shall include, but need not be limited to the reasons described in subparagraph d of paragraph 5 of subsection A of this section.

f. The Tribal Gaming Commission may deny any Class III Gaming Contract License application if:

- (1) A Person who is unqualified or disqualified to be a Class III Gaming Contractor owns, is an agent of or has any other interest in the applicant, regardless of the qualifications of the Person who seeks approval as a contractor;
- (2) The applicant demonstrates inadequate financing for the business proposed under the type of contract for which application is made. In determining whether financing is adequate, the Tribal Gaming Commission shall consider whether financing is from a source that meets the qualifications of paragraph 5 of subsection A of this section, or paragraph 6 of subsection B of this section and whether that financing is in an amount to ensure the likelihood of success in the performance of the contractor's duties and responsibilities; or
- (3) The applicant or its employees fail to demonstrate business ability and experience to establish, operate, and maintain the business for the type of contract for which application is made.

g. In evaluating whether to deny a contract related to Class III Gaming based on subparagraph e or f of paragraph 6 of subsection B of this section, the Tribal Gaming Commission may consider the following factors:

- (1) The nature and severity of the conduct that constituted the offense or crime;
- (2) The time that has passed since satisfactory completion of the sentence, probation, or payment of the fine imposed;

- (3) The number of offenses or crimes; and
- (4) Any extenuating circumstances that enhance or reduce the impact of the offense or crime on the security, integrity, honesty, and fairness of the Tribal gaming enterprise.

h. No Person applying for a Class III Gaming Contract License shall own, manufacture, possess, operate, own an interest in, or gain income or reimbursement in any manner from video gaming devices in any jurisdiction unless the devices are approved and certified by another state Lottery, gambling or gaming control agency, Indian Tribe, National Indian Gaming Commission, or foreign country, that has jurisdiction to approve that activity, and such ownership, manufacture, possession, operation, or income is disclosed to the Tribal Gaming Commission.

i. The Tribal Gaming Commission may deny a Class II Gaming Contract License based upon any of the criteria for denial of a Class III Gaming Contractor License as provided in this subsection.

j. The Tribal Gaming Commission may reject an application for either a Class II or Class III Gaming Contract License if the applicant has not provided all of the information requested in the application.

7. Contractor Reporting Requirements.

a. All Class III Gaming Contractors shall submit to the Tribal Gaming Commission and the State any financial and operating data requested by the Tribal Gaming Commission or the State. All Class II Gaming Contractors shall submit to the Tribal Gaming Commission any financial and operating data requested by the Tribal Gaming Commission.

b. The Tribal Gaming Commission and the State as authorized in this subparagraph, may specify the frequency and a uniform format for the submission of such data.

c. The Tribal Gaming Commission, the State, or their agents reserve the right to examine contractor tax records and the detailed records from which the tax reports are compiled. The State's authority is limited to the tax records of Class III Gaming Contractors.

8. Duration of License and Renewal.

Any Contractor License shall be effective for not more than three (3) years from the date of issue. Applicants for renewal shall provide a renewal fee and updated information to the Tribal

Gaming Commission but will not be required to resubmit historical data already provided.

9. Revocation of License.

a. The Tribal Gaming Commission may revoke the License of any contractor pursuant to regulations promulgated by the Tribal Gaming Commission. The Tribal Gaming Commission shall revoke the License of any contractor upon determination that an event has occurred that would have prohibited the Tribal Gaming Commission from licensing the contractor under the criteria described in paragraph 6 of this subsection.

C. Fees for Approval of Employment Licenses and Contracts.

1. The State shall be reimbursed its costs for approval of employee and contractor Licenses, in accordance with the terms of the Compact.

2. The fees for State background investigations and review of employee and contractor Licenses applications shall be set pursuant to a Memorandum of Understanding between the parties to be negotiated annually.

3. Should actual costs incurred by the State exceed the fees agreed to by the parties in the annual Memorandum of Understanding, the State will assess those additional costs to the Tribal Gaming Commission during or after the investigation. The applicant is required to pay the License fee in full prior to issuance of the contract or License except that interim contracts or Licenses shall be issued for the period of time that a dispute is pending as contemplated at paragraph 4 of this subsection.

D. Management Contracts.

1. The Primary Management Official shall provide the State and Tribal Gaming Commission at all times with a current copy of any management agreement with the Tribes that allows it to conduct Class III Gaming on the Umatilla Tribal trust land.

2. The Primary Management Official shall furnish to the Tribes, the Tribal Gaming Commission and the State complete information pertaining to any transfer of controlling interest in the management company at least 30 days before such change; or, if the Primary Management Official is not a party to the transaction effecting such change of ownership or interests, immediately upon acquiring knowledge of such change or any contemplated change.

Section 14. National Indian Gaming Commission Review of Employee Licenses

A. Report to the National Indian Gaming Commission.

1. The Tribal Gaming Commission shall prepare and forward to the NIGC an investigative report on background investigations for each Primary Management Official, High Security Employee or Low Security Employee. The investigative report shall be submitted to the NIGC within 60 days after such employee begins work in the Tribal Gaming Facility. The investigative report shall include all of the following:

- a. Steps taken in conducting a background investigation;
- b. Results obtained;
- c. Conclusions reached; and
- d. The bases for those conclusions.

2. The Tribal Gaming Commission shall submit, with the report, a copy of the License eligibility determination made under Section 13 A of this Ordinance.

3. If a License is not issued to an applicant, the Tribal Gaming Commission:

- a. Shall notify the NIGC; and
- b. May forward copies of its eligibility determination and investigative report (if any) to the NIGC for inclusion in the Indian Gaming Individuals Records System.

4. No Primary Management Official, High Security Employee or Low Security Employee may be employed at the Tribal Gaming Facility for longer than ninety (90) days without the necessary License.

5. With respect to Primary Management Officials, High Security Employees and Low Security Employees, the Tribal Gaming 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.

B. Granting a Gaming License

1. If, within a thirty (30) day period after the NIGC receives an investigative report, the NIGC notifies the Tribal Gaming Commission that it has no objection to the issuance of a

License pursuant to a License application filed by a Primary Management Official, High Security Employee or Low Security Employee for whom the Tribal Gaming Commission has provided an application and investigative report to the NIGC, the Tribal Gaming Commission may issue a License to such applicant.

2. The Tribal Gaming Commission shall respond to a request for additional information from the Chairman of the NIGC concerning a Primary Management Official, High Security Employee or Low Security Employee who is the subject of an investigative report. Such a request shall suspend the 30-day period under subsection B 1 of this Section until the Chairman of the NIGC receives the additional information.

3. If, within the thirty (30) day period described above, the NIGC provides the Tribal Gaming Commission with a statement itemizing objections to the issuance of a License to a Primary Management Official, High Security Employee or Low Security Employee for whom the Tribal Gaming Commission has provided an application and investigative report to the NIGC, the Tribal Gaming Commission shall reconsider the application, taking into account the objections itemized by the NIGC. The Tribal Gaming Commission shall make the final decision whether to issue a License to such applicant.

Section 15. License Suspension and Revocation.

A. Suspension and Revocation.

1. Any License issued by the Tribal Gaming Commission shall be suspended, without prior notice, if the National Indian Gaming Commission, after notification by the Tribal Gaming Commission of the issuance of a License, and after appropriate review, indicates that a Primary Management Official, High Security Employee or Low Security Employee does not meet the standards established and set forth herein, pursuant to 25 U.S.C. § 2710, and after notice and hearing may revoke such License.

2. The Tribal Gaming Commission shall immediately suspend, and after notice and hearing, revoke the License issued pursuant to this Ordinance to any Person or Entity who is or becomes ineligible to hold a License under this Ordinance or who violates any provision of this Ordinance, or of 25 U.S.C. § 2701 et seq., or of 18 U.S.C. § 1163 or regulations promulgated and adopted thereunder.

B. Revocation Notice.

1. The Tribal Gaming Commission shall promptly notify in writing any Licensee whose License has been or will be revoked and shall include in said notice:

- a. The effective date of the revocation;
- b. The reason(s) for the revocation;
- c. The right of the Licensee to appeal the revocation to the Tribal Court within ten (10) days of the Licensee's receipt of the revocation notice.

2. A copy of the revocation notice shall be sent to the National Indian Gaming Commission.

C. Revocation Hearing.

1. A Licensee may appeal the revocation of his/her License to the Tribal Court by sending a written notice of appeal of the revocation to the Tribal Court and the Tribal Gaming Commission no later than 10 days after the Licensee receives notice that his/her License has been revoked. The notice of appeal shall clearly state the reason(s) why the Licensee believes his/her License should not be revoked.

2. Upon receipt of the notice of appeal of the License revocation, the Tribal Court shall schedule a revocation hearing to be conducted within twenty (20) days of receipt of the Licensee's notice of appeal. Written notice of the time, date and place of the hearing shall be delivered to the Licensee no later than five days before the scheduled date of the hearing.

3. The Licensee and the Tribal Gaming Commission may be represented by legal counsel at the revocation hearing. The Licensee and the Tribal Gaming Commission may present witnesses and evidence in support of their respective positions and may examine witnesses and evidence presented by the opposing side.

4. The Tribal Court shall issue its decision no later than ten (10) working days following the revocation hearing. The decision of the Tribal Court shall be final and conclusive, and no appeal to a higher court shall be allowed.

5. A copy of the Tribal Court's decision regarding the revocation of a License shall be sent to the Tribal Gaming Commission and NIGC.

D. Application for Relicensing.

No Person, Entity or Contractor whose Gaming License has been revoked shall be eligible for a new License until 12 months after the effective date his/her License was revoked.

III. Class II Gaming

Section 16. Definitions.

1. "Bingo" means Bingo as defined in Section 3 of this ordinance.

2. "Bingo Occasion" means a single session or gathering at which a series of successive Bingo games are played.

3. "Card games" means Non-Banking Card Games played in conformity with Oregon State law regulating hours, wagers and pot limitations. For purposes of this definition, Oregon State law does not include county or municipal laws or regulations.

4. "Game Card" and "Bingo Game Card" means a Regular or Special Bingo Card.

5. "Pull Tabs" means factory covered tickets which are purchased and opened by customers revealing a predetermined winning arrangement.

6. "Punch Board" means a small board that has many holes, each filled with a rolled up printed slip to be punched out upon payment of a Player fee, in an effort to obtain a slip that entitles the Player to a designated Prize.

7. "Regular Bingo Card" means a board card issued to a Person upon payment of admission fee which affords a Person the opportunity to participate in all regular Bingo games played at a Bingo occasion.

8. "Special Bingo Card" means a disposable, specially marked Bingo card which affords a Person the opportunity to participate in a special Bingo game for special Prizes, or a game card generated by and appearing on the screen of a computer employed by the Gaming Facility and assigned to a Player for a Bingo game(s).

9. "Special Bingo Game" means any Bingo game which is not a regular Bingo game and which is played with special Bingo cards whether or not for special Prizes.

10. "Tip Jars" means a game of chance, wherein a Person upon payment of a fee, is permitted to reach into, or tip a jar containing printed slips, and extract one slip in an effort to obtain a slip that entitles the Player to a designated Prize.

Section 17. Authorization to Conduct Class II Gaming.

A. Class II Gaming shall be owned and operated exclusively by the Tribes, and no License to own or operate any Class II Gaming

shall be issued to any other Person or Entity. Class II Gaming on Umatilla Indian Lands shall only be authorized at the Tribal Gaming Facility.

B. The Manager or operator of the Tribal Gaming Facility shall obtain a License as a condition of conducting a Class II Gaming activity in the Facility.

Section 18. Management Contracts.

The Confederated Tribes of the Umatilla Indian Reservation may enter into a management contract for the operation and management of Class II Gaming activities. Each such contract must comply with the provisions of this Ordinance, other applicable provisions of Tribal law (including, but not limited to, Tribal Employment Rights Ordinance), and provisions of federal law (including, but not limited to, 25 U.S.C. § 2711).

Section 19. Games Permitted.

A. The Tribes, or any Manager under contract to manage the Tribal Gaming Facility, may conduct Bingo and Non Banking Card Games.

B. A schedule of the Class II games to be conducted must be conspicuously posted at each entrance to the Tribal Gaming Facility each week in which games will be conducted. The schedule must include a statement of the Prizes offered for each game.

Section 20. Bingo Game Cards.

A. The Manager of the Tribal Gaming Facility shall provide the game cards to be used for each Bingo game conducted and each card shall be marked to indicate that the issuing facility is the Tribal Gaming Facility.

B. Special Bingo cards must be issued separately from regular Bingo cards, and must be specially marked to indicate the particular special Bingo game, including date, and the facility of issuance. In the case of computer-generated cards, the computer must be programmed to lock on a card at the start of the game, prior to calling of the first number or designated symbol, so as not to permit altering or changing of the card during the game, and every winning card be verified. A special Bingo card shall be valid only for the designated game.

Section 21. Player Limitation.

The number of Persons permitted to play any Class II game shall be determined by the owner, operator or manager as is appropriate, except that:

A. The number of people permitted in the Tribal Gaming Facility or in any room in the facility shall not exceed the limitation of the number permissible under the applicable fire, building or other safety codes or standards.

B. The number of people permitted to play any Bingo game shall not exceed the number of seats available in the room(s) in which the game is being played.

Section 22. Entry Prohibited.

No Person may enter any room in which a Bingo game is being played unless the Person is a Player, except facility employees and Persons present by authority of the Gaming Commission, for purposes of inspection or regulatory duties.

Section 23. Hours of Operation; Notice to Commission.

A. Class II Gaming may be conducted 24 hours a day, seven days a week, subject to approval by the Tribal Gaming Commission.

B. Prior to operation of Class II Gaming or any change in hours of operation, the operator shall:

1. Notify the Tribal Gaming Commission of the proposed hours and days its facility will be open, and the hours and days gaming will be conducted.

2. The proposed schedule shall be approved unless the Tribal Gaming Commission notifies the owner or operator of its objection within 15 days of its receipt of the proposed schedule.

3. If the Tribal Gaming Commission makes objection, it shall state its reasons and the changes necessary, and the proposer may submit a revised proposal accommodating the Commission's objections, or may request an opportunity to rebut the objections.

(a) Submission of a revised schedule, incorporating and accommodating the objections, shall be deemed approved upon its submission.

(b) If an opportunity to rebut is requested, a conference shall be set within fifteen (15) days. The Tribal Gaming Commission shall issue its decision, which shall be final and not subject to further appeal, within fifteen (15) days of the conference.

IV. Class III Gaming

Section 24. Exclusive ownership by Tribes.

Class III Gaming shall be owned and operated exclusively by the Tribes, and no License to own or operate any Class III Gaming shall be issued to any other Person or Entity.

The Manager or operator of the Tribal Gaming Facility shall obtain Facility License as a condition of operating a Class III Gaming operation.

Section 25. Authorized Operation.

A. The Tribes, or any Manager or operator under contract to manage the Tribal Gaming Facility may operate Class III Gaming at the Tribal Gaming Facility on Umatilla Indian Lands.

B. The Tribes, or any Manager or operator under contract to manage the Tribal Gaming Facility shall submit its proposed Class III operation, which shall be approved by the Gaming Commission if:

1. the proposed facility is in compliance with safety requirements of this Ordinance; and
2. the Class III Gaming proposed is consistent with the Compact; and
3. the Class III Gaming operation proposal complies with all applicable Federal and Tribal laws and regulations.

Section 26. Management Contracts.

The Board of Trustees may enter into a management contract for the operation and management of Class III Gaming activities. Each such contract must comply with the provisions of this Ordinance, the Compact, other applicable provisions of Tribal law (including, but not limited to, Tribal Employment Rights Ordinance), and provisions of federal law (including, but not limited to, 25 U.S.C. § 2711).

Section 27. Games Permitted.

A. The Tribes may conduct any Class III game or games permitted pursuant to the Compact.

B. The Tribes may conduct any Class III game which is first legalized within the State of Oregon after the date of the Compact then in effect, or which heretofore becomes permitted on Indian Lands under federal law, pursuant to the Compact or amendments thereto.

Section 28. Regulation and Inspection.

A. Class III Gaming shall be regulated by the Tribal Gaming Commission, which shall adopt all necessary and appropriate rules and regulations for Class III Gaming including but not limited to:

1. Game rules and conduct
2. Public display of rules requirements
3. Gaming Facility requirements
4. Permitted games specifications and requirements

B. The Tribal Gaming Facility shall be open at all usual business hours for inspection by the Tribal Gaming Commission, and the State officials designated by the State of Oregon pursuant to the Compact.

Section 29. Hours of Operation.

A. Class III Gaming may be conducted 24 hours a day, seven days a week, subject to approval by the Tribal Gaming Commission.

B. The Tribes shall submit, and the Tribal Gaming Commission shall approve, proposed hours of operation unless the proposed hours pose a risk to the health, welfare or safety of the public.

V. Records and Audits

Section 30. Records Maintenance.

The Tribal Gaming Facility shall maintain accurate and up-to-date records for each gaming activity conducted.

Records shall include records of:

1. all financial transactions;
2. all gaming machine testing, malfunctions, maintenance and repairs;
3. Personnel;
4. complaints of patrons and resolution thereof;
5. Gaming Facility in-house investigations of incidents and accidents of any kind;
6. actions by Gaming Facility against Players or facility visitors;

7. actions by Gaming Facility against or in reprimand of employees.

8. tax records or information provided to the State or Federal government as required by the Compact or Federal law.

Section 31. Independent Audits.

A. Gaming Activities Licensed or Conducted by the Tribes.

The Tribal Gaming Commission shall require, and the Board of Trustees shall cause, an audit to be conducted each year on all Class II and Class III Gaming activities Licensed or conducted at the Tribal Gaming Facility. Such audit(s) shall be conducted by an independent auditing firm, selected at the sole discretion of the Board of Trustees, or the Tribal Gaming Commission on its behalf. However, nothing in this paragraph shall prohibit the annual audit of Tribal gaming activities from being encompassed within the Tribes' existing audit system.

B. Contracts for Supplies, Services or Concessions.

Each contract for supplies, services, or concessions with a contract amount in excess of \$25,000 annually (except contracts for professional legal or accounting services) relating to a Class II or Class III Gaming activity shall be subject to the independent audit required by subparagraph (A), above.

C. Audit Report to be Provided to National Indian Gaming Commission. The Tribal Gaming Commission shall furnish a copy of each annual gaming activities audit report to the Gaming Committee and the National Indian Gaming Commission, as required by 25 U.S.C. § 2710(b)(2)(C).

V. Dispute Resolution and Violations Procedures

Section 32. Resolution of Disputes Between Gaming Facility Customer and Manager

A. Customers of the Tribal Gaming Facility who dispute any decision made by employees of the Tribal Gaming Facility relevant to their participation in Class II or Class III Gaming operations shall have their dispute resolved as provided in this Section.

B. The customer with the dispute shall file a written statement of the facts or circumstances of the dispute with the manager of the Tribal Gaming Facility within five days of the dispute. The manager shall have three (3) days to prepare its written response to the customer. The manager shall provide copies of the customer statement and its response to the Tribal Gaming Commission.

C. In the event the customer is dissatisfied with the response from the manager of the Tribal Gaming Facility the customer may request a hearing before the Tribal Gaming Commission. This request must be submitted to the Commission within seven days of the response from the manager of the Tribal Gaming Facility. The Commission shall notify the customer and manager of the time and place set for the hearing in writing at least five days before the hearing. The Commission shall hold a hearing within 20 days of its receipt of the request for a hearing. The customer shall be authorized to submit written and oral evidence in support of his/her claim. The manager shall also attend the hearing to respond to the claim(s) made by the customer. The decision of the Tribal Gaming Commission shall be final.

D. The manager of the Tribal Gaming Facility shall provide notice to the customers of the Tribal Gaming Facility of this dispute resolution procedure. In addition, the manager shall also make forms for filing a claim against the manager available to customers of the Tribal Gaming Facility.

Section 33. Crimes; Penalties.

A. It shall be unlawful for any Person to:

1. Operate or participate in gaming on Umatilla Indian Lands in violation of the provisions of this Ordinance or in violation of rules and/or regulations promulgated pursuant to this Ordinance;

2. Knowingly make a false statement in an application for an employment or contractor License application as required in this Ordinance; or

3. Bribe or attempt to bribe, or unduly influence or attempt to unduly influence, any Person who Licenses, operates, conducts, assists, or is otherwise employed in a gaming activity or enterprise located on Umatilla Indian Lands.

B. Any Indian who violates a provision of this Ordinance or of other Tribal law relating to gaming activities may be fined not more than \$1,000 and/or imprisoned for up to one year for each violation. A separate violation occurs on each day that a violation arises or continues.

C. Any property used in the commission of a violation or a provision of this Ordinance may be seized by the Tribal Gaming Commission or their agents. The owner of the property shall be afforded an opportunity to object and be heard in accordance with principles of due process. If no objection is raised, or the objection is not sustained, the Tribes may dispose of the seized property.

D. Any non-Indian who violates a provision of this Ordinance may be excluded from the Indian Lands within the jurisdiction of the Confederated Tribes of the Umatilla Indian Reservation.

Section 34. Civil Penalties.

A. Any Person or Entity who violates any term or condition of any License issued pursuant to this Ordinance or any provision of a management contract issued pursuant to Sections 19 and/or 27 or Section 34, above, may be assessed a civil penalty by the Tribal Gaming Commission. Such penalty may be assessed only after the Person or Entity has been given notice and an opportunity to be heard before the Tribal Court. Each violation shall be treated separately and may be assessed as a separate violation.

B. The penalty assessed pursuant to subparagraph A, above, shall not exceed \$5,000 per violation, or twice the amount of any grand Prize awarded in a gaming activity which is directly associated with the violation, whichever is greater.

C. Civil penalties provided for in this Section may be imposed in addition to the criminal penalties provided for in Section 34 above.

Section 35. Enforcement.

After any Person or Entity fails or refuses to pay a final assessment levied pursuant to Section 34 and/or 35 above, the Tribes may proceed to collect the assessment by initiating a civil action against the Person or Entity in the Tribal Court or in any other court of competent jurisdiction. In such civil action, validity and amount of the assessment shall not be subject to judicial review. The Tribes shall be entitled to all remedies in law or in equity that are available to civil litigants generally.

VI. Validity of Ordinance

Section 36. Severability.

If any provision or provisions in this Ordinance are held invalid by a court of competent jurisdiction, this Ordinance shall continue in effect as if the invalid provision(s) were not a part hereof.

Section 37. Repeal of Inconsistent Tribal Law

To the extent they are inconsistent with this Ordinance, all prior Bingo or gaming codes or ordinances, or other provisions of Tribal law relevant to gaming, are hereby repealed.

Section 38. **Effective Date of Ordinance.**

This Ordinance shall take effect upon adoption of the Board of Trustees.

CERTIFICATION

The foregoing Ordinance was on February 22, 1994, duly adopted by a vote of 5 for, and 0 against, by the Board of Trustees pursuant to authority vested in it by the Constitution and Bylaws of the Confederated Tribes of the Umatilla Indian Reservation as indicated in the body hereof.

Donald G. Simpson