

NATIONAL
INDIAN
GAMING
COMMISSION

August 12, 1993

Mark Mercier
Tribal Chairman
The Confederated Tribes of
the Grand Ronde Community
9615 Grand Ronde Road
Grand Ronde, Oregon 97347

Dear Chairman Mercier:

This letter responds to your request to review and approve the tribal gaming ordinance submitted on May 27, 1993, and resubmitted on August 4, 1993, for the Confederated Tribes of the Grand Ronde Community. 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 that Act 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. Such approval does not constitute approval of specific games.

The NIGC expects to receive the applications for key employees and primary management officials under 25 C.F.R. § 556.6 (as published in the Federal Register on January 22, 1993, at 58 Fed. Reg. 5813) and fingerprint cards under NIGC Bulletin No. 2 which was sent to all tribes in July. 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.

It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

This approval is for class II gaming only. If the Tribe should wish to engage in class III gaming in the future, it must first negotiate and obtain approval of a tribal-state compact for such games. Please notify the NIGC when the compact is approved by the Secretary of the Interior and forward a copy of it to this office.

Thank you for submitting the ordinance of the Confederated Tribes of the Grand Ronde Community for review and approval. The NIGC staff and I look forward to working with you and your Tribe on implementing the IGRA.

Sincerely yours,

Anthony J. Hope

Anthony J. Hope
Chairman

cc: Michael D. Mason, Esq.
Bruce Thomas

DATE ADOPTED: 5-12-93
SUBJECT: Gaming
RESOLUTION #: 029-93
DATE AMENDED: _____

APPROVED

CONFEDERATED TRIBES OF THE
GRAND RONDE COMMUNITY OF OREGON

GAMING ORDINANCE

Tribal Code §

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CONFEDERATED TRIBES OF THE
GRAND RONDE COMMUNITY OF OREGON

GAMING ORDINANCE

(a) Authority and Purpose: The Tribal Council has authority to adopt this Gaming Ordinance under the Grand Ronde Tribal Constitution Article III, Section 1. Powers. The Constitution does not require approval of the Ordinance by the Secretary of the Interior. The Ordinance is effective upon approval of the National Indian Gaming Commission (NIGC) under the Indian Gaming Regulatory Act, retroactive to the date of enactment of the Ordinance. The purpose of this Ordinance is to set forth the terms for Class II and Class III gaming operations on tribal lands.

(b) Gaming Authorized: Class II and III gaming as defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C., Section 2703 (7)(A) (IGRA) and by the regulations declared by the NIGC at 25 C.F.R. § 502.3 is hereby authorized.

(c) Definitions: The following definitions shall apply:

(1) "Bylaws" shall mean the operating document of the Grand Ronde Gaming Commission.

(2) "Chairman" shall mean the Chairman of the NIGC.

(3) "Class I Gaming" shall mean social games played solely for prizes of minimal value, or traditional forms of Indian gaming when played by individuals in connection with tribal ceremonies or celebrations.

(4) "Class II Gaming" shall mean:

(A) "Bingo" or lotto (whether or not electronic, computer, or other technologic aids are used) when players:

1. Play for prizes with cards bearing numbers or other designations;

2. Cover numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined; and

3. Win the game by being the first person to cover a designated pattern on such cards;

(B) If played in the same location as bingo or lotto, pull-tabs, punch boards, tip jars, instant bingo, and other games similar to bingo;

(C) Nonbanking card games that:

1. State law explicitly authorizes, or does not explicitly prohibit, and are played legally anywhere in the state; and

2. Players play in conformity with state laws and regulations concerning hours, periods of operation, and limitations on wagers and pot sizes;

(5) "Class III Gaming" shall mean all forms of gaming that are not Class I gaming or Class II gaming, including but not limited to:

(A) Any house banking game, including but not limited to:

1. Card games such as baccarat, chemin de fer, or blackjack (21), and pai gow (if played as house banking games);

2. Casino games such as roulette, craps, and keno;

(B) Any slot machines as defined in 15 U.S.C. 1171(a)(1) and electronic or electromechanical facsimilies of any game of chance;

(C) Any sports betting and parimutuel wagering including but not limited to wagering on horse racing, dog racing or jai alai; or

(D) Lotteries.

(6) "Commission" shall mean the Grand Ronde Gaming Commission.

(7) "Corporation" shall mean the Spirit Mountain Development Corporation (SMDC), the tribally chartered corporation responsible for tribal economic development.

(8) "Gambling Device" shall mean:

(A) Any so-called 'slot machine' or any other machine or mechanical device an essential part of which is a drum or reel with insignia thereon, and

1. Which when operated may deliver, as the result of the application of an element of chance, any money or property, or

2. By the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property; or

(B) Any other machine, mechanical device (including, but not limited to, roulette wheels and similar devices), electromechanical or electronic device designed and manufactured primarily for use in connection with gambling, and

1. Which when operated may deliver, as the result of the application of an element of chance, any money or property, or

2. By the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property; or

3. Any subassembly or essential part intended to be used in connection with any such machine, mechanical device or electro-mechanical or electronic device, but which is not attached to any such machine, mechanical device or electro-mechanical or electronic device as a constituent part.

(9) "Gaming Establishment or Premises" shall mean any facility where gaming, other than Class I gaming is operated or conducted, and includes all buildings, improvements, equipment, and facilities used or maintained in connection with such gaming.

(10) "Gaming Operation" shall mean each economic entity that is licensed by the tribe, operates the games, receives the revenues, issues the prizes, and pays the expenses. A gaming operation may be operated by a tribe directly or a management contractor.

(11) "Gross Revenue" shall mean the total monetary value that would be due any operator of a gaming activity for any chance taken, for any table fees for card playing, or other fee for participation or admittance, as evidenced by required records. The value shall be stated in U.S. currency, before any deductions or allowances for prizes, pay-out of winnings, cost of operation, taxes, labor expenses, equipment or materials used, or any other expenses. In the absence of records, gross revenue shall be the maximum that would be due to an operator from that particular activity if operated at maximum capacity.

(12) "Grand Ronde Indian Land" or "Indian land" shall mean:

(A) Land within the limits of the Grand Ronde Indian reservation; or

(B) Land over which the Tribe exercises governmental power and that is either:

1. Held in trust by the United States for the benefit of the tribe or any Indian individual; or

2. Held by an Indian tribe or individual subject to restriction by the United States against alienation.

(13) "Key Employee" shall mean:

(A) A person performing one or more of the following: (1) Bingo caller, (2) Counting room supervisor, (3) Chief of security, (4) custodian of gaming supplies or cash, (5) floor manager, (6) pit boss, (7) dealer, (8) croupier, (9) approver of credit, or (10) custodian of gambling devices including persons with access to cash and accounting records within such devices;

(B) If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or

(C) If not otherwise included, the four most highly compensated persons in the gaming operation.

(14) "Licensee" shall mean any person who holds a valid and current license pursuant to the provisions of this Gaming Ordinance.

(15) "Management Contract" shall mean any contract, subcontract, or collateral agreement between an Indian Tribe and a contractor or between a contractor and a subcontractor if such contract or agreement provides for the management of all or part of a gaming operation.

(16) "Management Fee" shall mean any amount paid from gaming revenue to any person or entity contracted and/or licensed to operate a gaming facility. Such terms shall not include amounts paid for operating expenses.

(17) "NIGC" shall mean the National Indian Gaming Commission.

(18) "Net Revenue" shall mean gross gaming revenues of an Indian gaming operation less amounts paid out as, or paid for, prizes; and total gaming-related operating expenses, excluding management fees.

(19) "Operating Expense" shall mean any expense incurred in daily operations of a gaming activity specifically designated as operating expenses in a management contract.

(20) "Primary Management Official" shall mean:

(A) The person having management responsibility for a management contract;

(B) The person with authority to hire and fire employees, or set up working policy for the operation; and

(C) The Chief Financial Officer or other person who has financial management responsibility.

(21) "State" shall mean the State of Oregon.

(22) "Tribal/State Compact" or "Compact" shall mean the agreement negotiated and executed by the Tribe and an official or agency of the State and approved by the Secretary of the Interior pursuant to 25 U.S.C. 2710(7)(B)(vii), governing the conduct of Class III gaming on Indian lands.

(23) "Tribe" shall mean the Confederated Tribes of the Grand Ronde Community of Oregon.

(24) "Tribal Council" shall mean the Tribal Council of the Confederated Tribes of the Grand Ronde Community of Oregon.

(25) "Tribal Court" shall mean the Tribal Court of the Confederated Tribes of the Grand Ronde Community of Oregon.

(d) Ownership: The Tribe shall have sole proprietary interest in and responsibility for conducting any Class II and Class III gaming operations authorized by this Ordinance.

(e) Unauthorized Gaming: The Tribe shall prosecute in Tribal Court any person conducting or taking part in unauthorized Class II or Class III gaming on Indian land unless the Tribal Court lacks jurisdiction. In that case, the Tribe shall sue such persons in any court of competent jurisdiction.

(f) Use of Revenue: Revenue from Class II and Class III gaming shall be used only for the following: funding tribal government operations and programs; providing for the general welfare of the Tribe and its members; promoting economic development; donations to charitable organizations, or helping to fund operations of local governmental agencies. At least ten percent (%) of net revenues shall be allocated to Tribal endowments for increased health care benefits, education, and housing.

(g) Grand Ronde Gaming Commission:

(1) The Grand Ronde Gaming Commission is hereby established. The Commission shall consist of nine members recommended by the Commission and appointed by a majority vote of the Council. There shall be at least five Tribal members of the Commission, including two Tribal Council members, and at least two persons who are not Tribal members. Other than Council members, Commission members must have four years of business experience. All Commission members must be at least 25 years of age. Commission membership shall include one each of the following persons:

(A) An Oregon local government official with at least five years of law enforcement experience;

(B) A manager or regulator of a successful Indian gaming operation; and

(C) An attorney with at least two years of commercial law experience.

(2) Commissioners shall serve for four (4) years and may be removed from office prior to the end of their term only for cause and by unanimous vote of the remainder of the Commission or a vote of six Council members at an open, regular meeting.

(3) In order to establish staggered terms, the Council shall appoint the first commissioners as follows: two shall serve a one year term, two shall serve a two year term, two shall serve a three year term, and three shall serve a four year term (initial terms only). After the initial term, all subsequent terms of appointment shall run for four years. Vacancies shall be filled within 30 days by the Council, provided, however, that a Commissioner whose term has expired shall hold their seat until it is filled.

(4) Commissioners may hold other tribal positions and may engage in business and gamble in any gaming operation, provided, however, that they may not be employed in or own any interest in a gaming operation authorized by this Ordinance.

(5) Commissioners shall be compensated at a rate established annually by the Commission, and approved by the Council. Commissioners shall be reimbursed for actual expenses incurred on Commission business, including necessary travel expenses.

(6) The Commission shall adopt bylaws for the conduct of business, which shall include the following provisions:

(A) The Commission shall select annually from its membership a chairperson, who shall have the power to convene special meetings with not less than 48 hours written or verbal notice to members of the Commission.

(B) General meetings of the Commission shall be open to the public.

(C) The Commission may go into executive session, but may not take any official action while in executive session.

(D) A quorum shall consist of five members. All decisions shall be made by a majority vote unless indicated otherwise in this Ordinance or the Bylaws.

(7) The Commission shall make quarterly reports to the Council within 30 days of the end of each quarter. The reports shall include a full and complete statement of gaming revenues paid to the Tribe, expenses and all other financial transactions, and a summary of all licensing and enforcement actions.

(8) The Commission shall exercise all powers necessary to regulate Class II and Class III gaming. The Commission shall meet not less than once every two (2) months to hear recommendations and set policy, to hear reports from the Director, and transact other business. The Commission shall publicize rules and regulations for the operation of any gaming establishment and hear and resolve all disputes regarding any provision of the Ordinance. In all decisions, the Commission shall act to promote and ensure integrity, security, honesty, and fairness of operation and administration of all gaming activities. The Commission shall have the authority to deny an application, limit, condition, suspend, or restrict any license, make a finding of suitability or approval of a license, or a finding of suitability or approval of or the imposition of a fine upon any person licensed for any cause deemed reasonable.

(9) The duties of the Commission shall include:

(A) Processing all license applications, making determinations regarding the suitability of persons for licensing, issuing licenses to qualified persons, and notifying the NIGC of the issuance of such licenses as required by the IGRA;

(B) Denial, limitation, revocation, rescission or suspension of any license when deemed necessary under the provisions of this or any related Law of the Tribe, or any applicable Federal or State law;

(C) Causing to be conducted background investigations on all Primary Management Officials and Key Employees and members of the Commission;

(D) Printing and making available all necessary license application forms and appropriate licenses;

(E) Collecting license fees imposed pursuant to this Ordinance;

(F) Inspecting and examining all premises, equipment and supplies where gaming is conducted or gaming devices or equipment are stored, sold or distributed;

(G) Inspecting and reviewing all gaming contracts to ensure compliance with this Ordinance; and inspecting and reviewing all records, books, and financial documents relating to the conduct of gaming to determine compliance by the licensee with this Ordinance and any other applicable law;

(H) Requiring, and causing to be conducted annually, an outside independent audit of all gaming activity as required by IGRA; and requiring, and causing to be conduc-

ted annually, an outside independent audit of all contracts related to the conduct of gaming, as required by section (i) of this Ordinance;

(I) Promulgating and amending such substantive and procedural regulations as the Commission deems necessary to carry out this Ordinance, but only upon thirty (30) days notice of the proposed rulemaking, which notice shall be published and posted at the gaming facility, the Tribal offices, and the Community Center, and provided to the Council, the Board of Directors of the SMDC, and of any licensed gaming facility;

1. The notice shall specify the purpose of the proposed regulation the language of the proposed regulation, and the factors the Commission has considered in its determination to enact the proposed regulation, and an address at which the Commission shall receive comments.

2. During the notice period the Commission shall receive comments regarding the proposed regulations at the Commission offices, or at a designated mailing address.

3. The Commission shall consider comments received by it at an open public meeting; the Commission shall make a final determination regarding the need for the proposed regulation, the language of the proposed regulation, and the effective date of the proposed regulation on the basis of the information available to the Commission.

(J) Consulting with the Tribal Attorney as needed;

(K) Imposing civil penalties or other sanctions including seizure of property, after a hearing as provided by this Ordinance;

(L) Defending the Ordinance in any court with proper jurisdiction or before any federal agency, however, any reference to legal action shall not be deemed a waiver of the Tribes' sovereign immunity from suit.

(10) A Commissioner's seat shall be immediately vacant upon conviction of any felony, conviction of any misdemeanor related to illegal gambling or bribery, or upon having three (3) consecutive unexcused absences from Commission meetings. Cause for removal of a Commissioner shall include but not limited to: excessive use of intoxicants, use of a tribal position for personal gain, failure to perform Commission duties adequately or according to this Ordinance and violation of any law of the Confederated Tribes of Grand Ronde.

(11) The Commission may organize itself into divisions as it may deem necessary. The Commission shall establish its own budget for operations, including a budget for the Director, and acquire such furnishings, equipment, supplies, books, and other things as it may deem necessary or desirable in carrying out its functions, and incur such other expenses, within the limit of funds available to it, as it may deem necessary. Within the limits of its approved budget, the Commission shall employ and fix the salaries of, or contract for, the services of such personnel and consultants as the execution of its duties require. The annual Commission budget shall be published with the Tribe's Annual Budget.

(12) At the end of the budget year any surplus funds shall be refunded to the Council at the Council's discretion.

(13) The Commission and the Director shall maintain files and records as they deem desirable and all such records may be open to Council inspection as Council deems appropriate. Files and records shall not be removed from the Commission offices.

(14) Until the Commission begins operation, SMDC shall act as the Commission. Until the Commission is fully operable, SMDC may, at SMDC's discretion, continue to perform some Commission functions.

(h) Commission Director:

(1) The Commission shall hire a Director, with the approval of the Council, who shall be responsible for the day-to-day monitoring of gaming activities. The Director's qualifications shall include experience in management of legal gaming operations and accounting experience or education in accounting. No one convicted of a felony of any kind or a misdemeanor related to illegal gambling or bribery can serve as Director. The Director shall not have any personal financial interest in any gambling by any gaming establishment patron.

(2) The Director shall be hired for a period of at least two years. The terms of the contract will be negotiated by the Commission and approved by the Council. The Director's compensation shall be part of the negotiations.

(3) The Director shall be terminated automatically and immediately upon the Director's conviction in a federal or state court of competent jurisdiction for any felony or for any misdemeanor related to illegal gambling or bribery. If the Director is convicted of violating any part of this Ordinance, or of a crime the Commission finds relates to the Director's honesty or ability to fulfill his duties he shall be immediately terminated.

(4) The Director shall, subject to the approval of the Commission, perform all duties, exercise all powers, assume and

discharge all responsibilities, and carry out and effect all purposes of this ordinance related to the establishment of all gaming activity. In all decisions, the director shall act to promote and ensure integrity, security, honesty, and fairness of the operation and administration of all gaming activity. The duties of the Director shall include but not be limited to the following:

(A) Ensuring that management is carrying out its responsibility as provided for in the Management Contract;

(B) Conducting correspondence with the NIGC and doing whatever is necessary to comply with the rules and regulations of that agency. This includes assuring an annual outside audit of authorized gaming be performed as required by the IGRA, and providing it to the NIGC;

(C) Assuring that there is an adequate system for background investigations of employees of any gaming establishment and that oversight of such officials and management is conducted on an ongoing basis. The Director will assure that all applications and background investigations are completed so that no person shall be eligible for employment in or with any part of the gaming operation if that person's prior activities, criminal record, if any, or reputation, habits and associations 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. The Director shall assure that the NIGC is given results of such background checks.

(D) Reviewing all records, documents, and anything else necessary and pertinent to enforcement of any provisions of this Ordinance.

(E) Recommending to the Commission whether sanctions should be imposed on any person subject to the jurisdiction of this Ordinance.

(i) Audit:

(1) The Commission shall authorize an annual independent audit of the operation and shall submit the results of the audit to NIGC.

(2) All gaming contracts that result in the purchase of supplies, services, concessions, or other subject matter that the Commission determines is related to gaming in excess of \$10,000 annually, except contracts for legal and accounting services, shall be specifically included in the audit.

(j) Construction, Maintenance and Operation of Facility: Class II and III facilities shall be constructed, maintained and operated in

a manner which protects the environment, public health and safety. This shall include compliance with the Uniform Building Code, until the Tribe adopts its own building code.

(k) License Applications for Key Employees/Primary Management Officials:

(1) The Commission shall develop license application forms for key employees and primary management officials, which shall include requests for all information listed in this section and in section (l).

(2) The following notice shall be placed on the application form with a signature block, to be signed by persons applying for positions classified as Key Employee or primary Management Official:

Pursuant to the Privacy Act of 1974, the following is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The information will determine the eligibility of persons applying for gaming operation positions. The information will be used by NIGC members and staff who have need of the information to perform their official duties. The information may be disclosed to Federal, Tribal, State, local or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions, or pursuant to a requirement of the Tribe or the NIGC in connection with hiring or firing an employee, issuance or revocation of a gaming license or investigations of activities while associated with the Tribe or gaming operations. Failure to consent to the disclosures indicated will result in the Tribe's being unable to hire you for a primary management official or key employee position.

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

(3) The following notice shall be placed on the application for key employees or primary official:

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment for making a false statement.

(1) Background Investigations: Each applicant for Commission membership, primary management official and key employee shall provide all of the following information. In addition, the Commission shall ensure that an investigation is conducted as described under section (m) below.

(1) Full name, other names used (oral or written) including

nicknames, social security number(s), birth date, place of birth, citizenship, gender, all languages spoken or written.

(2) All the following information currently for the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers.

(3) Names and current addresses of three (3) personal references, including references acquainted with applicant during each period of residence listed under paragraph (2) above.

(4) Current business and residence telephone numbers.

(5) A description of any existing and previous business relationships with Indian Tribes, including ownership interests in those businesses.

(6) A description of any existing and previous business relationships with the gaming industry in general, including ownership interests in those businesses.

(7) The name and address of any licensing or regulatory agency where the applicant has filed an application for a license or permit related to gaming, whether or not a license or permit was granted.

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

(9) For each felony where there is a conviction or an ongoing prosecution: charge, name and address of the court involved, and the date and disposition if any.

(10) For each misdemeanor or infraction conviction or ongoing prosecution (except minor traffic violations) within the past (five) ten years: the name and address of the court involved, date and disposition if any.

(11) For each criminal charge (except minor traffic charges), whether or not convicted, if within the past (five) ten years and not otherwise listed: the charge, name and address of the court, date and disposition if any.

(12) Current photograph, or photo identification.

(13) Any other information the (Tribe) Commission may deem relevant.

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

(m) Eligibility termination: The Chair or the Commission or his/her delegate shall review prior activities, criminal records (if any), reputation, habits and associations of applicants to determine eligibility for appointment to the Commission and Director, and employment and licensure for key employee or primary management official positions. If the Chair or his/her delegate determines that appointment, employment or licensure of the individual would pose a threat to the tribal interest or the effective regulation of gaming, or would create or enhance the danger of unsuitable, unfair, or illegal practices or activities, the Tribe shall not appoint, employ, or license the individual.

(n) Procedures for Forwarding Applications and Reports for Key Employee and Primary Management Official to NIGC: Employees hired for key employee or primary management officer positions shall remain on probation until the background investigation is completed regardless of the time involved.

(1) When the decision to hire a key employee or primary management official is made, the Commission shall begin the background investigation, and forward to NIGC copies of the individuals' application.

(2) The Commission shall ensure completion of the background investigation within 60 days, and shall forward the report to NIGC.

(3) Any person employed as a key employee or primary management official must provide proof of a license upon demand by the Commission, or by the state if the person is engaged in Class III activity.

(4) Upon the firing of a key employee or primary management official, the Commission shall notify the NIGC and shall submit copies of the reasons for termination to NIGC which shall be included in the Indian Gaming Individuals Records System (IGIRS).

(5) Applications for employment and reports shall be held for a period of not less than 3 years from the date of termination, and shall be made available for inspection by the Chairman of the NIGC or his/her designee.

(o) Investigative Report to NIGC:

(1) Pursuant to the procedures set out in section (1) of this section, the Tribe shall prepare and forward to the NIGC an investigative report on each background investigation. An investigative report shall include all of the following:
(A) Steps taken in conducting a background investigation;
(B) Results obtained; (C) Conclusions reached; and (D) The bases for those conclusions.

- (2) The Tribe shall submit, with the report, a copy of the eligibility determination made under section (m) of this ordinance.
- (3) If a license is not issued to an applicant, the Tribe:
- (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 IGIRS.
- (4) With respect to key employees and primary management officials, the Tribe shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the NIGC or his/her designee for no less than three (3) years from the date of termination of employment.
- (p) Drug Testing: Each Commission Member, primary management official and key employee, upon selection or hire, shall undergo urinalysis to test for drug use.
- (q) Granting of Gaming License:
- (1) If, within 30 days after NIGC receives a report, NIGC notifies the Tribe that it has no objection to the issuance of a license, the Commission may issue a license to the applicant.
 - (2) The Commission shall respond to requests for information from the Chair concerning key employees or primary management officials who are the subject of a report. The request shall suspend the 30 day period until the Chair receives the information requested.
 - (3) If, within the 30-day period, NIGC provides the Tribe with a statement of objection, the Commission shall reconsider the application. The Commission shall make a final decision after considering the objections of the NIGC.
- (r) Corporation Duties: The Corporation shall be responsible for ensuring sound development and management of all Class II and Class III gaming activities carried out under this Ordinance. The Corporations duties shall include:
- (1) Selecting management companies and firms;
 - (2) Assuring that management of Class II and Class III gaming is done in a businesslike manner;
 - (3) Assuring that management of Class II and Class III gaming is done in accordance with the applicable contracts with the Corporation; and

(4) Assuring that drop is transported by a reputable armored car service.

(s) Contract Execution:

(1) The Corporation is authorized to execute a contract for management of a gaming facility only if the contract provides for:

(A) Strict accounting procedures and verifiable financial reports that are prepared for the Council on a monthly basis; and

(B) Access to the daily operations of the gaming facility to appropriate tribal and state officials who shall also have a right to verify the daily gross revenues and income from the tribal gaming activity; and

(C) A minimum guaranteed payment to the Tribe that has preference over the retirement of development and construction costs; and

(D) A contract term not to exceed five years. With Council approval, the Corporation may authorize a contract term that exceeds five years but does not exceed seven years if the Corporation is satisfied that the capital investment required, and the income projections for the particular gaming activity require the additional time; and

(E) Grounds and mechanisms for terminating such contract, but actual contract termination shall not require Council approval; and

(F) Preference to qualified Tribal members and secondary preference for their qualified spouses in hiring of employees for the gaming establishment; and

(G) Payment of Commission expenses as part of net revenues of the gaming facility.

(2) The Commission shall have the authority after notice and hearing to require appropriate contract modifications or to void any contract if it subsequently determines that the Contractor has knowingly permitted the violation of any provision of section (w) or (x).

(3) No management contract for the operation of a gaming activity regulated by this Ordinance shall transfer or, in any other manner convey, any interest in land or other real property.

(4) The Commission shall require a potential contractor to pay a fee to cover the cost of the investigation necessary to reach a determination required in Section (m) of this Ordinance.

(t) Management Fees: Management fees shall be a percentage of net revenue no higher than 20%, unless capital investment and income projections justify an additional percent. Such additional percentage shall be no higher than 15%.

(u) Licensing of Gaming:

(1) The Commission is hereby authorized to issue all licenses for the conduct of Class II and Class III gaming activities.

(2) The Commission shall ensure that:

(A) Such gaming activity is located on Indian lands within the Tribe's jurisdiction, and the State of Oregon permits such gaming for any purpose by any person, organization or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal laws);

(B) The Tribe will have the sole propriety interest and responsibility for the conduct of such gaming activity;

(C) Net revenues from such Gaming Activity are used in accordance with Section (f) of this Ordinance;

(D) Such gaming activity is subject to annual outside audits, which may be encompassed within existing independent tribal audit systems, and provide to the Council;

(E) All contracts for supplies, services, or concessions for an aggregate amount in excess of \$10,000 annually relating to such gaming are also subject to independent audits;

(F) The construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which adequately protects the environment and the public health and safety; and

(G) All primary management officials and key employees of the Class II gaming operation have successfully passed a background investigation which is approved by the Tribe and the NIGC.

(3) The Commission shall authorize Class I Gaming Activity to be played on Indian lands that are within the jurisdiction of the Tribe upon reasonable request.

(4) The Commission shall consult with appropriate law enforcement officials concerning any gaming licenses it may issue. If, after issuance of a gaming license by the Commission,

ion, the Commission receives reliable information from the NIGC, the State Police or any other source that a primary management official or key employee does not meet the standard established under Section (m) of this Ordinance, the Commission shall suspend such license and, after notice and hearing, may revoke such license.

(5) The Commission shall set a fee for applications, background investigations, and licenses. All such fees shall be made payable to the Confederated Tribes of the Grand Ronde Community of Oregon and delivered to the Grand Ronde Tribal Accounting Department.

(6) An applicant for licensing shall make true and full disclosure of all information to the Director and the Commission.

(v) License Locations: The Commission shall issue a separate license to each gaming establishment or location on Indian land where Class II or III gaming is conducted under the provisions of this Ordinance.

(w) Prohibition Against Certain Individuals: It shall be a violation of this Ordinance for any licensee to knowingly fail to exclude or eject from the gaming facility any individual who:

(1) Is under the influence of liquor or any narcotic or such other substance;

(2) Is under the age of eighteen years of age;

(3) Engages in disorderly conduct; or

(4) Is armed and not engaged in legitimate law enforcement activity.

(x) Unlawful Acts:

(1) It is unlawful for any person:

(A) To alter or misrepresent the outcome of a game or other event on which wagers have been made after the outcome is sure but before it is revealed to the players;

(B) To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or that is the subject of the bet or wager;

(C) To aid anyone in acquiring knowledge as set forth in subparagraph (B), for the purposes of increasing or decreasing a bet or wager, or for the purpose of determining the course of play contingent upon that event or outcome;

(D) To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gambling game with intent to defraud, without having made a wager contingent thereon, or to claim, collect or take an amount greater than the amount won;

(E) Knowingly entice or induce another to go to any place where a game is being conducted or operated in violation of the provisions of the chapter, with the intent that the other person play or participate in the game;

(F) To place or increase a bet or wager after acquiring knowledge of the outcome of the game or event which is the subject of the bet or wager, including past-posting and pressing bets;

(G) To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet or wager, including pinching bets;

(H) To manipulate with intent to cheat, any component of a gambling device in a manner contrary to the designed and normal operational purpose for the component, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game;

(I) Except as specifically permitted by the Director, with approval of the Commission, to possess with the intent to use, or use at any table game, any calculator, computer, or other electronic, electrical, or mechanical device to assist in projecting an outcome at any table game, to keep track of or analyze the cards having been dealt, to change probabilities of any table game or the playing strategies to be utilized;

(J) To trespass upon any premises licensed by this Ordinance without the consent of the licensee and/or the Commission; or

(K) To take anything of value from a gaming facility without authorization.

(2) Any person who engages in activities on property subject to this Ordinance without a license, in violation of a license or terms imposed thereon, in violation of any regulation, provision, or amendment of this Ordinance shall be in violation of the Ordinance.

(3) No fine shall be assessed nor any action taken for any violation under this section unless a charge is filed in proper form with the Commission or Tribal Court, within one year of the commission of the offense.

(4) Council Members, Commissioners, Corporate Board Members, the Director and their immediate families shall receive no personal compensation, gift, reimbursement or payment of any kind from any person doing or wishing to do business with the Tribe relating to gaming nor from any person wishing to obtain an unfair advantage in any authorized wager on gaming. Any property received in violation of this provision, including cash payments, shall be immediately forfeited to the Tribe and the offending persons shall be prosecuted to the full extent possible under tribal law for accepting a bribe. The Commission shall cooperate to the fullest extent possible with any Federal or State law enforcement agency to pursue prosecution under applicable Federal or State law.

(y) License Suspension:

(1) If, after issuing a license, the Director receives reliable information that a key employee or primary management official is not eligible for employment, or has violated this Ordinance or Tribal Health and Safety Codes, the Director shall suspend the license and notify the licensee and the Commission in writing of the suspension and proposed revocation.

(2) The notice to the licensee shall include the time and place for a hearing on the revocation. The date for hearing shall be no later than ten days from the date of the notice, provided, however, that the Director may extend the time at the request of the licensee.

(3) After the hearing, the Director shall issue a certification of facts and decide whether to revoke or reinstate the license. The Director shall notify NIGC of the decision.

(z) Appeals:

(1) Should an applicant or licensee disagree with a decision of the Director, the Commission shall hold a hearing to review its decision, within 30 working days from the date an applicant files their disagreement with the Commission. The burden shall be on the applicant to prove that the Director's decision was incorrect.

(2) Following such hearing, the Commission shall, within fourteen (14) days, reach a determination concerning:

(A) The accuracy of the certification of facts,

(B) Whether the license in question should be granted, continued, suspended, revoked, conditioned, or limited, and

(C) Whether or not any other action recommended to the Commission including, but not limited to, forfeitures, should be taken.

(3) Any party aggrieved by a decision of the Commission has the right to appeal the determination of the Commission to the Tribal Court on grounds of violation of Tribal Constitutional or Civil rights. Such appeal must be filed with the Court in written form on or before the fourteenth day following receipt of the written determination of the Commission. A determination by the Court of such appeal shall be final and no further appeal may be had. The Court shall review, on the record, the determination of the Commission. The Court's action shall be final and no further appeals may be had.

(aa) Effective Date: Upon approval of the Ordinance by NIGC, the Ordinance will be effective on the date adopted by the Tribal Council, provided, however, that the effective date of any provision regarding Class III Gaming shall be the date of approval by the Secretary of the Class III Gaming Compact between the Tribe and the State of Oregon.

I certify that this is a true copy of the Confederated Tribes of the Grand Ronde Community of Oregon Gaming Ordinance.


Tribal Council Secretary

Grand Ronde Gaming Commission

Procedures for Dispute Resolution

1. Purpose and Authority: The Gaming Ordinance of the Confederated Tribes of the Grand Ronde Community of Oregon (Tribe) delegates authority for the resolution of any disputes involving the gaming public at any Gaming Facility of the Tribe. These procedures provide the process for resolving these disputes.

2. Definition: A "Member of the Gaming Public" shall mean a person who is engaging in authorized gambling at the Tribal Gaming Facility at the time a dispute arises.

3. Procedures: If a dispute should arise between a member of the gaming public and the Tribe, the following procedures shall be followed:

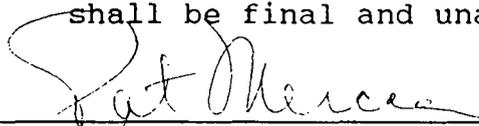
(a) The complaining member of the gaming public shall immediately notify the manager of the gaming facility, or if unavailable, the highest level employee in the establishment at that time. If the party fails to notify the manager or highest level employee immediately, no complaint shall be allowed.

(b) If the party is unable to resolve the dispute at this level, the manager shall inform the party of the right to appeal to the Director of the Grand Ronde Gaming Commission (the Director). This appeal must be in writing and must be delivered to the Director within 14 days. The manager shall provide the party with a copy of these procedures.

(c) On receipt of the written appeal, and any witnesses the party or Manager brings forward, the Director shall review the material and meet with the party within 14 days. If the Director is unable to resolve the dispute, he/she shall notify the party of the right to appeal to the Grand Ronde Gaming Commission (the Commission) within 14 days of the Director's decision.

(d) The Commission, at its next meeting, shall review all pertinent documents and set a date for a hearing within 30 days. The Commission shall reach a decision within 14 days after the hearing and shall render a decision on the record.

(e) The Commission shall inform the party in writing of the decision in a timely manner. The decision of the Commission shall be final and unappealable.



Commission Secretary-Treasurer

Grand Ronde Gaming Commission

Procedures For Background Investigations of Key Employees and Primary Management Officials

1. Purpose and Authority: The Gaming Ordinance of the Confederated Tribes of the Grand Ronde Community of Oregon (Tribe) delegates authority to conduct background investigations, including criminal history checks, to the Chair of the Grand Ronde Gaming Commission (Commission). These procedures are an internal document of the Commission for use in determining eligibility for employment in any Gaming Facility of the Tribe, and for service as a Commissioner or Director of the Gaming Commission (Director). The Gaming Ordinance authorizes the Commission to adopt procedures at §(g).

2. Definitions: All definitions are hereby adopted from the Grand Ronde Gaming Ordinance.

3. Responsibility for Investigations: The Commission is responsible for the conduct of background investigation of Commissioners, the Director, applicants for employment and employees of the Gaming Facility.

(a) The Commission shall cause all investigations to be conducted in a timely manner.

(b) The Director shall conduct background investigations with the assistance of necessary contractors. The Commission Chair shall review and approve the investigative work performed.

(c) The Oregon State Police shall obtain and process fingerprints and check criminal history records of candidates for Commissioner, Director, applicants for employment and employees.

(d) Upon approval of the work by the Chair, the Director shall report the results of the background investigations of applicants for employment in Class II gaming to the National Indian Gaming Commission (NIGC). The Director shall report the results of the background investigations of applicants for employment in Class III gaming to the Oregon State Police after execution and approval of the Tribal/State Class III Gaming Compact.

4. Investigation Procedures/Report:

(a) Each applicant for Commission membership, Director and employee of the Gaming Facility shall provide all of the following information:

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

(2) All the following information currently for the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers.

(3) Names and current addresses of three (3) personal references, including references acquainted with applicant during each period of residence listed under paragraph (2) above.

(4) Current business and residence telephone numbers.

(5) A description of any existing and previous business relationships with Indian Tribes, including ownership interests in those businesses.

(6) A description of any existing and previous business relationships with the gaming industry in general, including ownership interests in those businesses.

(7) The name and address of any licensing or regulatory agency where the applicant has filed an application for a license or permit related to gaming, whether or not a license or permit was granted.

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

(9) For each felony where there is a conviction or an ongoing prosecution: charge, name and address of the court involved, and the date and disposition if any.

(10) For each misdemeanor or infraction conviction or ongoing prosecution (except minor traffic violations) within the past ten (10) years: the name and address of the court involved, date and disposition if any.

(11) For each criminal charge (except minor traffic charges), whether or not convicted, if within the past ten (10) years and not otherwise listed: the charge, name and address of the court, date and disposition if any.

(12) Current photograph, or photo identification.

(13) Any other information the (Tribe) Commission may deem relevant.

(14) Fingerprints taken by the Oregon State Police.

(b) The Director shall verify information submitted by applicants for Commissioner, Director, Primary Management Official and Key Employee positions. The Director shall also interview enough former employers, personal references and other knowledgeable people to assist in determining eligibility for service or employment. The Director may delegate interviews and verification of information submitted by applicants for other positions.

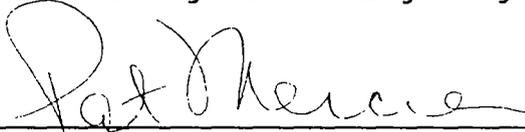
(c) The Commission Chair, Director and Director's delegate shall each document the response to potential problem areas and disqualifying information obtained.

5. Investigative Report:

(a) The Director shall prepare an investigative report on each applicant that sets forth the following:

- (1) Steps taken in conducting the background investigation;
- (2) Results obtained;
- (3) Conclusions reached; and
- (4) The bases for those conclusions.

(b) The Director will present all reports to the Commission Chair and all reports regarding applicants for employment involving Class II gaming to the NIGC.



Commission Secretary-Treasurer