August 15, 2008

Glen Nenema, Chairman
Kalispel Business Committee
Box 39
Usk, Washington 99180

Dear Chairman Nenema:

As you are aware, Kalispel has submitted an amendment to its gaming ordinance to the National Indian Gaming Commission. The original Tribal Ordinance was approved on September 26, 1997 with previous amendments approved in 2001 and 2002. This letter constitutes approval, pursuant to the Indian Gaming Regulatory Act (IGRA), of your 2008 amended gaming ordinance adopted by the Tribe's Business Committee by resolution No. 2008-44 on June 24, 2008.

This amendment corrects a compliance issue which involved the operation of gaming on the premises of the Tribe's casino by an entity other than the Tribe, i.e., a charitable organization, even though the Tribe's approved gaming ordinance did not provide for other than Tribal owned gaming. See 25 U.S.C. § 2710(b)(4). We greatly appreciate the response and cooperation of the Tribe in an effort to resolve the charitable gaming issues in order to provide that such gaming can now take place consistent with the terms of IGRA and the Tribal Gaming Ordinance.

It is important to note, however, that the gaming ordinance is approved for gaming only on Indian lands, as defined in IGRA, over which the Tribe exercises jurisdiction. Furthermore, this approval does not constitute approval of specific games.

Thank you for submitting this amendment to the Tribe's gaming ordinance and for working with our staff to ensure that the amended ordinance conforms with IGRA. Should you have any questions or concerns, please contact Toni Cowan, at 202-632-7039, the staff attorney assigned to this matter.

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Sincerely,

Philip N. Hogen, Chairman

C: Darren Holmes, Secretary
Kalispel Business Committee

Mark Phillips, Region 1 Director
The National Indian Gaming Commission

Christine M. Masse, P.C.
Miller Nash
4400 Two Union Street
Seattle, Washington 98101-2352

KALISPEL RESOLUTION NO. 2008-44

Kalispel Tribe of Indians
P.O. Box 39
Usk, WA 99180

(509) 445-1147
(509) 445-1705 *fax*
www.kalispeltribe.com

RESOLUTION

WHEREAS, the Kalispel Business Committee is the duly constituted governing body of the Kalispel Tribe by the authority of the Constitution and By-Laws for the Kalispel Tribe; and

WHEREAS, under the Constitution and By-Laws of the Tribe, the Kalispel Business Committee is charged with the duty of protecting the health, security and general welfare of the Kalispel Tribe and all Reservation residents; and

WHEREAS, the Kalispel Business Committee approved Chapter 11 of the Kalispel Law and Order Code, entitled "Kalispel Tribe Gaming Ordinance" ("Ordinance" herein) and the Ordinance was approved by the National Indian Gaming Commission; and

WHEREAS, the Kalispel Business Committee believes it is in the best interest of the Tribe to have the authority to allow individually owned gaming to operate on its lands for charitable purposes; and

WHEREAS, the Kalispel Business Committee has been notified that its Ordinance must be amended to provide the Kalispel Tribal Gaming Authority the ability to license individuals or entities to operate such a gaming operation as contemplated by 25 U.S.C. § 2710(b)(4); and

WHEREAS, the Kalispel Business Committee has reviewed the deficiencies identified in its Ordinance and has determined that cures for the deficiencies are minimal and will not offend the intent or purpose of the Ordinance.

NOW THEREFORE, BE IT RESOLVED, that the Kalispel Business Committee amends Chapter 11 of the Kalispel Tribe Law and Order Code to provide for licensure of individually owned gaming operation contemplated by 25 U.S.C. § 2710(b)(4) and amends section 11-6.02 as follows:

11-6.02 OWNERSHIP – REVENUES TO BENEFIT TRIBE

Except as provided in section 11-9, ~~T~~the Tribe shall have the sole proprietary interest in, and the sole responsibility for the conduct of the gaming activity. Such provision does not, however, limit the Tribe's ability to enter into a management contract wherein net revenues are divided between the Tribe and other parties to the contract. A gaming establishment shall be operated so as to produce the maximum amount of net revenues to the Tribe. Except as provided in section 11-9.02, ~~N~~net revenues will go entirely to the Tribe and will be used for the following purposes:

A. to fund tribal government operations or programs;

B. to provide for the welfare of the Tribe and its members;

C. to promote tribal economic development;

D. to donate to charitable organizations; or

E. ~~or~~ to help fund operations of local government agencies.

Net revenues from the gaming establishment may be used to make per capita payments to members of the Tribe upon the preparation of a plan to allocate revenues to the above uses and approval of this plan by the Secretary of the Department of Interior.

BE IT FURTHER BE RESOLVED that the provisions found in section 11-9.01, 11-9.02, and 11-9.03 of the Kalispel Tribe Law and Order Code regarding application and eligibility for a gaming operation license will apply to individually owned gaming operations and are therefore amended as follows:

11-9.01 APPLICABILITY

A. Agencies and Departments of the Tribe

This section shall apply to agencies and departments of the Tribe who wish to engage in any of the activities authorized by this ordinance.

B. Individually Owned Gaming Operations

No non-Tribal person or entity shall be eligible to receive a tribal license to own a class II

gaming activity conducted on Tribal lands unless such person or entity would also be eligible to receive a gaming license from the State of Washington to conduct the same activity within the jurisdiction of the State and unless the following requirements are met:

1. Such gaming operation remains in compliance with all applicable Tribal and Federal laws and obtains and maintains a license from the Tribe;

2. Income to the Tribe from such gaming is used only for the purposes described in section 11-6.02;

3. Not less than 60 percent of the net revenues is income to the Tribe;

4. The owner of such gaming operation pays the appropriate assessment levied by the National Indian Gaming Commission; and

5. Such gaming operation is a bona fide charitable or non-profit organization.

11-9.02 LICENSE APPLICATION

Any agency or department of the Tribe or individually owned gaming operation shall submit a request for a license to engage in any authorized activity. The request shall contain the following information:

A. The complete name of the applicant.

B. The name and address of the department, ~~or~~ agency, or organization head and his/her position.

C. For each person identified, provide the following information:

1. The nature and extent of any interest in the applicant agency, ~~or~~ department, or organization. Identify specifically the extent of any financial managerial or control interest.

2. Whether the person, organization, ~~any~~ agency, or department has a substantial interest in or has applied for, and/or received any license under this part.

D. The location of the proposed gambling area.

E. Identify the type of activity for which the license is sought (e.g. bingo, lotteries, raffles, punch boards, pulltabs).

F. A description of the purpose for holding or engaging in the activity for which the license is sought, and a description of the purposes for which the revenues, if any, will be expended.

G. Each application shall contain an acknowledgement that the applicant assumes full responsibility for the fair and lawful operation of all licensed activities that the applicant conducts.

H. The Board shall furnish to the applicant supplemental forms, which the applicant shall complete and file with the application. Such supplemental forms shall require, but shall not be limited to: complete information and details with respect to the applicants habits, character, criminal record, business activities, financial affairs and business associates, covering a time period specified immediately preceding the date of filing of the application.

11-9.03 ELIGIBILITY FOR STATE LICENSE

The Board shall deny a license for any person or entity, other than the Tribe or an agency or department of the Tribe, that would not be eligible to receive a State license to conduct the same activity within the State of Washington. State law standards, if applicable, shall apply with respect to purpose, entity, pot limits and hours of operation.

CERTIFICATION

The Kalispel Business Committee adopted the foregoing RESOLUTION at a meeting held on the 24 day of JUNE, 2008, at the Tribal office on the Kalispel Indian Reservation near Usk, Washington, with the required quorum present by a vote of 3 FOR and 0 AGAINST.

Glen Nenema
GLEN NENEMA, CHAIRMAN
KALISPEL BUSINESS COMMITTEE
(TERM EXPIRES JUNE 2011)

Darren Holmes
DARREN HOLMES, SECRETARY
KALISPEL BUSINESS COMMITTEE
(TERM EXPIRES JUNE 2010)