

**NATIONAL
INDIAN
GAMING
COMMISSION**

APR 27 2000

Honorable Jack Musick
Chairman, La Jolla Band of Luiseno Indians
Star Route Box 158
Valley Center, California 92082

Dear Chairman Musick:

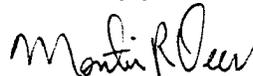
This letter responds to your request for the National Indian Gaming Commission (NIGC) to review and approve the La Jolla Band of Luiseno Indians (Band) Gaming Ordinance, by Resolution No. GC-99-25, adopted on December 15, 1999, by the Band. This letter constitutes approval of your submission under the Indian Gaming Regulatory Act (IGRA). 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, over which the Band exercises jurisdiction.

Please note that at Section 6.3 Per Capita Payments, the Tribal and General Counsel may elect to authorize the distribution of per capita payments to Tribal Members. Under the IGRA 25 U.S.C. §2710(b)(3)(B), per capita payments may only be made pursuant to a plan submitted to the Bureau of Indian Affairs and approved by the Secretary of the Interior.

With the Chairman's approval of the Band's gaming ordinance, the Band is now required to conduct background investigations on its 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 La Jolla Band of Luiseno Indians for review and approval. The NIGC staff and I look forward to working with you and the Band in implementing the IGRA.

Sincerely yours,



Montie R. Deer
Chairman



LA JOLLA INDIAN RESERVATION

Star Route Box 158 • Valley Center, CA 92082
(760) 742-3771 • Fax (760) 742-1704

FEB 29 1999

RESOLUTION

Date: December 15, 1999
Number: GC-99-25

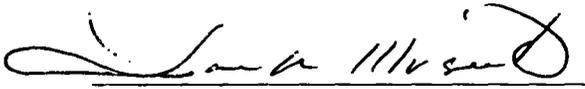
- WHEREAS: The La Jolla Band of Luiseno Indians (“the Tribe”) is a federally recognized American Indian Tribe recognized by the United States Secretary of the Interior as having jurisdiction over Indian Lands in California which are eligible for gaming under the Indian Gaming Regulatory Act (USC Sections 2701-2721) (IGRA);and
- WHEREAS: The General Council is the governing body of the Tribe pursuant to Article 3 of the Tribe’s Constitution, having all the legislative powers and responsibilities of the Tribal Government; and
- WHEREAS: In order to engage in Class II or Class III gaming, the governing body of A tribe must adopt a gaming ordinance and have the ordinance approved by the Chairman of the National Indian Gaming Commission (NIGC) pursuant to IGRA (i.e., 25 USC Subsections 2710 (b)(1)(B) and 2710(d)(1)(A); and
- WHEREAS: The General Council adopted a gaming ordinance, entitled La Jolla Band of Indians Gaming Ordinance (Addendum), on June 11, 1999, that was disapproved by the Chairman of the National Indian Gaming Commission on September 16, 1999;

NOW, THEREFORE BE IT RESOLVED, that the Tribe, through its General Council, Hereby repeals the La Jolla Band of Luiseno Indians Gaming Ordinance(Addendum) Duly adopted by the General Council on June 11, 1999;

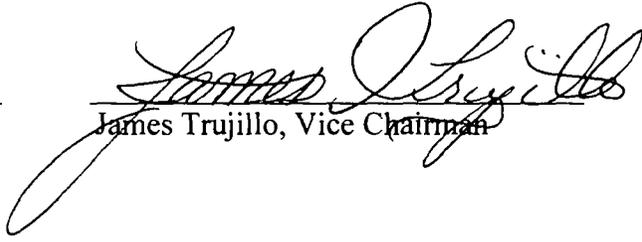
BE IT FURTHER RESOLVED; that the Tribe, through it’s General Council, hereby Adopts a new gaming ordinance, entitled La Jolla Band of Luiseno Indian Gaming Ordinance.

CERTIFICATION

WE, the undersigned officers of the La Jolla Band of Luiseno Indians do, hereby certify That the foregoing Resolution was adopted by the General Council by a vote of 22 in Favor, 0 against, 3 abstaining, at a duly called meeting, held on December 15, 1999. Such resolution has not been altered, rescinded or amended in any way.



Jack Musick, Tribal Chairman

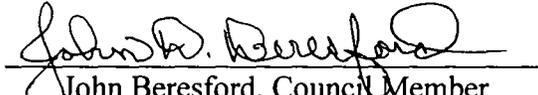


James Trujillo, Vice Chairman



Viola Peck, Secretary

Theda Molina, Treasurer



John Beresford, Council Member

**LA JOLLA BAND OF LUISENO INDIANS
GAMING ORDINANCE**

FEB 29 ~~1999~~ 2000

Section 1. Purpose

The General Council of the La Jolla Band of Luiseno Indians (hereinafter "Tribe"), a federally recognized Indian Tribe, empowered by Article III, Subsection C(6) of the Tribe's Constitution to enact ordinances, hereby enacts this Ordinance in order to set the terms for Class II and Class III gaming on its Tribal lands.

Section 2. Definitions

Unless specified otherwise, terms used herein shall have the same meaning as in the Indian Gaming Regulatory Act (hereinafter "IGRA"), 25 U.S.C. §§ 2701 - 2721, including, but not limited to, references to "Class I," "Class II," and "Class III" gaming, except for references to "Committee Members" or "Gaming Committee" which shall mean the La Jolla Gaming Committee Members or the La Jolla Gaming Committee established and described herein.

- 2.1 **"Appeals"** shall mean a process where a gaming employee elects to have the Gaming Committee review and decide the outcome of a termination or reprimand. Decisions of the Gaming Committee are final.
- 2.2 **"Class I Gaming"** shall mean any ancestral tribal games, i.e., Pion, etc.
- 2.3 **"Class II Gaming"** shall mean all forms of gaming that are defined as Class II gaming in IGRA, 25 U.S.C. § 2703(7)(A), and 25 C.F.R § 502.3.
- 2.4 **"Class III Gaming"** shall mean all forms of gaming that are defined as Class III gaming in IGRA, 25 U.S.C. § 2703(8), and 25 C.F.R § 502.4.
- 2.5 **"Compact"** shall mean any Compact in force by and between the Tribe and the State of California setting forth an agreement for the operation of Class III gaming on tribal land of the Tribe.
- 2.6 **"Entity"** shall mean 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 Tribe.
- 2.7 **"Gaming"** shall mean an activity in which a person stakes or risks something of value on the outcome of a contest of chance or a future contingent event, not under his or her control or influence, upon an agreement or understanding that the person, or someone else, will receive something of value in the event of a certain outcome, but shall not include bona fide business transactions.
- 2.8 **"Gaming Activities"** shall mean any Class I, Class II or Class III gaming activity conducted by or under the jurisdiction of the Tribe.
- 2.9 **"Gaming Commission"** shall mean the La Jolla Gaming Commission, as established by the Gaming Committee to monitor gaming activities, investigate wrongdoing, and perform other duties as required for the regulation and smooth operation of gaming on Tribal lands.

- 2.10 **“Gaming Committee”** means a committee consisting of 12 Tribal Members 21 years of age or older, approved by the general membership at a duly called General Council meeting.
- 2.11 **“Gaming Contractor”** shall mean any person or entity that supplies gaming devices or other gaming equipment, personnel or services, including gaming management or consulting services to any gaming activity or enterprise on Tribal lands.
- 2.12 **“Gross Revenues”** shall mean all gaming revenues before payouts or deduction of total gaming-related operating expenses.
- 2.13 **“General Council”** consists of all Tribal Members 21 years of age or older.
- 2.14 **“Investigations Officer”** shall mean a paid official who is responsible for conducting background investigations on all employees and managers, including, but not limited to, employees and managers who handle or monitor monies paid out or taken in as revenue, issue licenses, update and maintain all issued licenses files and confidential employee files.
- 2.15 **“Key Employee”** shall mean a person who performs one or more of the following functions: bingo caller; counting room supervisor; chief of security; custodian of gaming supplies or cash; managers, supervisors and directors of all departments; pit boss; dealer; croupier; approver of credit; custodian of gaming devices (including those persons with access to cash and accounting records within such devices); any other person whose total cash compensation exceeds \$50,000.00 per year; and, if not otherwise included, the four most highly compensated persons in the gaming operation.
- 2.16 **“National Indian Gaming Commission”** (hereinafter “NIGC”) shall mean the commission established under IGRA, 25 U.S.C. § 2704.
- 2.17 **“Net Revenues”** shall mean gaming revenues of the Tribe’s gaming operations less payouts and total gaming-related expenses, excluding management fees.
- 2.18 **“Primary Management Official”** shall mean: the person who has management responsibility for a management contract; any person who has authority to hire or fire employees or to set up working policy for the gaming operation; or the chief financial officer or other person who has financial management responsibility. At the discretion of the Gaming Commission, other positions or persons may be included under this definition and subject to the requirements for primary management officials.
- 2.19 **“Related to”** shall refer to persons who are related as a father, mother, brother, sister, son, daughter, husband or wife.
- 2.20 **“State”** shall mean the State of California.
- 2.21 **“Tribal Council”** shall mean the 5 Tribal Members elected by the General Council pursuant to Article 5 of the Tribe’s Constitution.
- 2.22 **“Tribal Lands”** shall include all lands within the boundaries of the La Jolla Reservation and land over which the Tribe exercises governmental power that is either held in trust by the United States for the benefit of the Tribe or a Tribal Member or held by the Tribe or a Tribal Member subject to restriction by the United States against alienation.
- 2.23 **“Tribal Member”** shall mean an individual enrolled in the Tribe pursuant to Article 2 of the Tribe’s Constitution and the Tribe’s Enrollment Ordinance.
- 2.24 **“Tribe”** shall mean the general membership of the La Jolla Band of Luiseno Indians.

Section 3. Ownership of Gaming

The Tribe shall have the sole propriety interest in and responsibility for the conduct of any gaming operation authorized by this Ordinance, except to the extent the Tribe may contract with and license a person or entity to own, operate or manage a gaming operation pursuant to the provisions of IGRA or as otherwise permitted by law.

Section 4. Gaming Committee

4.1 Establishment of Gaming Committee

There is hereby established by the General Council a Committee, to be known as the La Jolla Gaming Committee. The Gaming Committee shall be composed of 12 Tribal Members, 21 years of age or older, all of whom shall be approved by the General Council.

4.2 Disqualifications for Office

The following persons may not serve as Gaming Committee Members:

- 4.2.1 Employees of any gaming operation on Tribal lands.
- 4.2.2 Persons related to any gaming operation contractor including any principle thereof or closely associated independent contractor.
- 4.2.3 Persons who would not be eligible to be officers of the Tribe pursuant to the Tribe's Constitution and ordinances.

4.3 Terms of Office

The Committee Members shall serve a 2 year term, renewable if approved by the General Council at a duly called meeting.

4.4 Removal From Office

Committee Members may be removed by fellow Committee Members for missing 3 consecutive meetings without proper notification. Committee Members may be removed by a majority vote of the Gaming Committee for inappropriate behavior, i.e., screaming, cussing, negative or aggressive behavior, or intimidation of any kind. The vacant position shall be filled and approved by the General Council at its next scheduled meeting. Vacancies resulting from the death or resignation of a Committee Member shall also be filled and approved by the General Council.

4.5 Quorum

Seven Committee Members, including the Chairperson or Vice-Chairperson, constitute a quorum.

4.6 Officers and Duties

The Gaming Committee shall select Officers by verbal agreement and cooperation within the committee. The Officers shall include a Chairperson, a Vice-Chairperson, a Secretary and a Treasurer. The Chairperson shall preside over meetings of the Gaming Committee, and the Vice-Chairperson shall preside in the absence of the Chairperson. The Secretary shall record in writing the minutes of all Gaming Committee meeting minutes and all official actions taken by the Gaming Committee. The Treasurer shall oversee the financial records of the Gaming Committee and will perform other duties assigned by the Chairperson. Committee Members shall also perform any duties assigned by the Gaming Committee Chairperson. Officers shall be elected every 2 years from the appointment of the initial Committee Members.

4.7 Voting

All actions of the Gaming Committee shall be taken by majority vote. In the event of a deadlock, the Chairperson shall cast the deciding vote.

4.8 Meetings

Meeting of the Gaming Committee shall be held twice per month, on the second and fourth Monday of each month at 6:30 p.m. at La Jolla's Tribal Hall, when there is business to discuss or act upon. Meetings shall be called by the Chairperson, or by the Vice-Chairperson in the Chairperson's absence. A special meeting notice shall be given to each Committee Member during a regular Gaming Committee meeting or by telephone at least 2 days in advance of the date of the special meeting.

4.9 Compensation for Serving

Committee Members will be monetarily compensated for serving on the Gaming Committee, provided funds are available. The rate will be determined by the Tribal Council. Each Gaming Committee members rate will be identical, except that step increases may be allowed based on length of service and availability of funds.

4.10 Reports

On or before October 31 of each year, the Gaming Committee shall provide the Tribal Council with a written report summarizing its activities. The Gaming Committee shall also provide the Tribal Council with quarterly summary reports every three months. The Tribal Council shall cause copies of these reports to be made available to the General Council at its next duly called meeting.

Section 5. Authorized Gaming

Class II and Class III gaming on Tribal lands is hereby authorized. All gaming activities on Tribal lands, whether Class II or Class III gaming, are prohibited except as expressly authorized under this Gaming Ordinance. Nothing herein shall prohibit the Tribe from engaging the services of non-tribal persons or employees thereof or engaging any person or entity to assist the Tribe in the management of a gaming activity pursuant to a management agreement entered into under the provisions of IGRA. Class III gaming shall be conducted in accordance with any Compact, or any alternative thereto as provided by IGRA.

Section 6. Revenue

6.1 Gaming Revenue

Except as provided for under the terms of an agreement pursuant to the provisions of IGRA or as otherwise permitted by law, all revenues generated from any Class II or Class III gaming activity are the property of the Tribe. Any profits or net revenues from gaming activities shall be deposited into a separate tribal gaming revenue treasury. The bank chosen will be the same bank that the Tribe uses for the Tribe's Existing Enterprises.

6.2 Net Revenue from Class II and Class III gaming activities shall be used to:

- 6.2.1 Fund Tribal Government operations and programs.
- 6.2.2 Provide for the general welfare of the Tribe and Tribal Members including education, health, and safety.
- 6.2.3 Promote economic development within Tribal lands, including job creation and training, infrastructure improvement and resource management.
- 6.2.4 Fund operations of local Tribal Government agencies providing services, programs and or assistance to Tribal members, on or off Tribal lands.
- 6.2.5 Provide donations to charitable and or non-profit organizations, including local governments.

6.3 Per Capita Payments

The Tribal and General Council may elect to authorize the distribution of per capita payments to Tribal Members pursuant to guidelines established and adopted by the Tribal Council and consistent with applicable federal laws.

Section 7. Protection of the Environment and Public Health and Safety

Any construction or maintenance of any Class II or Class III gaming facility, and the operation of gaming therein, shall be conducted in a manner which adequately protects the environment and the public health and safety.

Section 8. Dispute Resolution

Patrons who have complaints against the gaming establishment, including disputes with any management contractor or its employees, shall have as their sole remedy the right to file a petition for relief with the Gaming Committee. Complaints shall be submitted in writing. At the discretion of the Gaming Committee, the petitioner may be allowed to present evidence. The Gaming Committee will render a decision in a timely fashion and all such decisions will be final when issued. Any patron having a claim against a gaming operation or a management contractor or its employees must submit such claim to the Gaming Committee within 30 days of its occurrence. All claims by patrons shall be limited to a maximum recovery of \$10,000.00, and a cumulative limit of \$10,000.00 per patron in any 12-month period.

Section 9. Audit

9.1 Annual Audit

Annual outside auditing by a recognized independent accounting firm shall be conducted of each gaming operation and the results thereof reported to the General and Tribal Councils, and, to the extent required by law, to the NIGC.

9.2 Audit Requirements

All gaming-related contracts for supplies, services, or concessions for a contract amount in excess of \$25,000 annually (except contracts for professional legal or accounting services), relating to Class II or Class III gaming on Tribal lands, shall be specifically included within the scope of the annual audit described in Subsection 9.1, and such gaming-related contracts shall so specify.

9.3 Bidding

Contracts relating to gaming or any gaming facility for a contract amount in excess of \$25,000 or for more than 5 years shall be subject to a formal, sealed bidding process prior to submission to the Gaming Committee for approval. All reasonable attempts shall be made to obtain and

consider at least 3 responsible bids; provided, the Gaming Committee may waive the requirement for 3 bids for good cause shown.

Section 10. Licenses

10.1 Gaming Permitted as Licensed

Except to the extent authorized by an agreement pursuant to the provisions of IGRA, or as otherwise permitted by law, Class II and Class III gaming activities shall only be conducted in tribally owned, operated and licensed facilities pursuant to the provisions of this Gaming Ordinance. Such activities shall be conducted in accordance with the terms and conditions of any license issued by the Gaming Commission for such purposes to each facility before any Gaming Activity may occur therein. The Gaming Commission shall issue a separate license to each place, facility or location on Tribal lands where Class II or Class III gaming is conducted under this Gaming Ordinance. Such licenses shall specify the hours of operation, type and scope of gaming activities allowed therein, permitted uses of the facility for other activities, rules of conduct for employees and patrons, regulation of alcoholic beverages, food handling and entertainment, and such other matters as the Gaming Committee or the General Council may deem necessary for the conduct of gaming activities therein.

10.2 Licensing Requirements

It is the declared policy of the Tribe that all Class II and Class III gaming activities be licensed and controlled so as to protect the morals, good order and welfare of Tribal Members and other persons on Tribal lands and to preserve the honesty, fairness and integrity of such gaming activities. Accordingly, no person shall engage in any Class II or Class III gaming activities on Tribal lands without an appropriate and valid independent Class II or Class III license issued by the Gaming Commission.

Any gaming license which is issued, or finding of suitability or approval by the Gaming Commission, shall be deemed a privilege subject to suspension or revocation. No license shall be issued that would place the Tribe in violation of any Compact or of any applicable law.

10.3 Burden on Applicant

The burden of proving an applicant's suitability to receive any license hereunder is at all times on the applicant. Applicants must accept any risk of adverse public notice, embarrassment or other action which may result from the application process and expressly waive any claim for damages as a result thereof.

10.4 Release of Information

All persons applying for a license shall agree to release all information necessary in order for the Gaming Commission to achieve its goals under this Section, and to furnish such information to the NIGC, or such other governmental agency as may be required by law.

10.5 Applicant's Claim of Privilege

An applicant may claim any privilege afforded by law in connection with a gaming license application or investigation, but a claim of privilege with respect to any testimony or evidence pertaining thereto may constitute sufficient grounds for denial, suspension, or revocation of a license.

10.6 Types of Licenses

Three classes of licenses (Class A, Class B and Class C) may be issued to persons associated with gaming activities. The Gaming Commission may also require and issue, in its sole discretion, a Class D license to any person or entity associated with other tribal businesses that are not part of the gaming facility or operated in conjunction therewith.

10.7 Class A Licenses

Before permitting any person to become permanently associated with any Gaming Activity as an investor or other person owning or controlling 10% or more of any interest in any management entity, or any primary management official, key employee, closely associated independent contractor, or other individual or entity with influence over the management or operation of gaming activities, or a Class II or Class III gaming employee, supplier, manufacturer or distribution, such person shall obtain a Class A license. The Gaming Commission shall conduct or cause to be conducted a background investigation to determine if such person has: any criminal record or any reputation, prior activities, habits or associations which might pose a threat to the public interest or to the effective regulation of gaming; or anything else in their background which might create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming.

Persons who do not meet the above qualifications shall be denied a Class A license. In addition, every entity, associate, silent partners or investors, including their contractors and subcontractors, have to be identified and investigated before the NIGC and the Gaming Commission will approve their license.

10.8 Class B Licenses

Persons who are not among those identified in Subsection 10.7 above, but who are to be employed at a gaming facility on Tribal lands in some other capacity, such as in non-gaming related activities, shall be required to obtain a Class B license from the Gaming Commission. Such persons must establish that they have not been convicted of a crime or engaged in any

activity which the Gaming Commission in its sole discretion deems would render such a person a danger to the safety or integrity of the gaming activities or the safety or property of the Tribe, any Tribal Member, any gaming employee or patron, or the public.

10.9 Class C Licenses

Persons who are employed by, associated with, or provide goods or services to other business enterprises of the Tribe may be required to make application and obtain a Class C license in order to do business with or be employed by such business enterprises. The Gaming Commission will issue requirements and procedures for obtaining a Class C license as such business enterprises are developed on Tribal lands.

10.10 License Renewal

Class A and Class B licenses shall be subject to renewal at least every 2 years, and may be revoked or suspended upon occurrence of any act which, if known during the application process, would have tended to disqualify such person for such a license.

10.11 Temporary License

Pending completion of an investigation for a license, temporary licenses of no more than 90 days duration may be issued by the Gaming Commission if in its sole discretion it deems it appropriate to do so. Such licenses shall permit the licensee to engage in such activities and pursuant to such terms and conditions as may be specified by the Gaming Commission. Such temporary licenses shall expire 90 days from the date of issuance, upon issuance of a regular license, or until an earlier specified expiration date, whichever occurs first.

10.12 License Investigations

The Gaming Commission may employ all reasonable means, including the engagement of outside services and investigators and the holding of hearings, to acquire the information necessary to determine whether or not a license should be issued. Applicants shall also agree to release all information necessary in order for the Gaming Commission to achieve its goals under this section and to furnish such information to the NIGC, or such other government agency as may be required by law or Compact.

10.13 License Fees

Unless specifically waived by the Gaming Commission, all persons applying for a Class A, B, or C license shall be required to pay all applicable license fees and costs when due, including a reasonable deposit for costs incurred in obtaining information in connection with the license application. Estimates of licensing costs shall be provided to applicants upon reasonable requests. All fees and costs must be received by the Gaming Commission prior to issuance of the license.

10.14 Standards

All persons engaged by or associated with any Gaming Activity on Tribal lands shall conduct themselves with honesty, integrity, and such decorum and manners as may be necessary to reflect positively on the Tribe, its members and the gaming activities involved. Any failure to abide by such standards, or any violation of any rule, ordinance, custom or tradition of the Tribe or the Gaming Committee, or the terms or conditions of a license, may be grounds for immediate suspension or revocation of any license issued hereunder.

10.15 Appeals

All decisions of the Gaming Commission regarding the issuance of licenses shall be final and effective when issued; provided, within 15 days of the receipt of the written decision regarding denial of the license, the applicant may file a petition for reconsideration with the Gaming Commission.

Section 11. Background Investigations

11.1 Required Information

The Gaming Commission shall request from each key employee and each primary management official all of the information specified in Subsections 11.1.1 through 11.1.14 below. Further, each other applicant for a Class A license, except as otherwise provided by the Gaming Commission, reserves the right, at any time, to request additional information either prior to, during, or subsequent to any background investigation.

- 11.1.1 Full name, other names used (oral or written), social security numbers, date of birth, place of birth, citizenship, gender, all languages (spoken and written);
- 11.1.2 Currently and for at least the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses and drivers license number(s);
- 11.1.3 Names and current addresses of at least 3 non-related personal references, including one personal reference who was acquainted with the applicant during each period of residence as listed under Subsection 11.1.2 above;
- 11.1.4 Current business and residence telephone numbers;
- 11.1.5 A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;

- 11.1.6 A description of any existing and previous business relationships with Indian Tribes, including ownership interest in those businesses;
- 11.1.7 Name and address of any licensing or regulatory agency with which the person has ever filed an application for a license or permit related to gaming, whether or not such license was or permit was granted;
- 11.1.8 For each felony for which there is an on-going prosecution or a conviction: the charge, the name and address of the court involved, and the date and disposition, if any, of the case;
- 11.1.9 For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations) within 10 years of the date of the application; the name and address of the court involved, and the date and disposition, if any, of the case;
- 11.1.10 For each criminal charge (excluding minor traffic charges), whether or not there is or was a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed above pursuant to Subsections 11.1.8 and 11.1.9 above: the criminal charge, the name and address of the court involved and the date and disposition, if any, of the case;
- 11.1.11 Name and address of any licensing or regulatory agency (Federal, Tribal, State, local or foreign) with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
- 11.1.12 Current photograph;
- 11.1.13 Any other information the Gaming Commission deems relevant; and
- 11.1.14 Fingerprints taken by a law enforcement agency consistent with the procedures adopted by the Gaming Committee according to 25 C.F.R. § 522.2(h).

11.2 Gaming Commission Investigations

The Gaming Commission shall conduct or cause to be conducted an investigation sufficient to make a determination of eligibility as required under Subsection 11.3. In conducting the background investigation, the Gaming Commission and their agents shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

11.3 Eligibility Determination

The Gaming Commission shall review a person's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility of a key employee or primary management official for employment in a gaming operation. If the Gaming Commission determines that employment of the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, the Gaming Commission shall not employ that person in a key employee or primary management official position or in any other position for which a Class A license is required, except as specifically established by the Gaming Commission.

Section 12. Forwarding Applications and Reports to the NIGC

12.1 Applications

On or before the date any key employee or primary management official is employed by a gaming operation authorized under this Gaming Ordinance, the Gaming Commission shall forward to the NIGC the person's completed application for employment containing the information required in Subsection 11.1 above.

12.2 Investigative Reports

Prior to issuing a license to a key employee or a primary management official, the Gaming Commission shall forward to NIGC, together with a copy of the eligibility determination made in accordance with Subsection 11.3, an investigative report on each background investigation within 60 days after an employee begins work or within 60 days of the approval of this Gaming Ordinance by the NIGC. The gaming operation shall not employ or continue to employ any person as a key employee or primary management official who does not have a license within 90 days of beginning work. The investigative report shall include the following information:

12.2.1 Steps taken in conducting a background investigation;

12.2.2 Results obtained;

12.2.3 Conclusions reached; and

12.2.4 The bases for those conclusions.

12.3 Other Reports

The Gaming Commission shall provide to the NIGC and the State any other reports and information required by IGRA and regulations promulgated thereunder and the Compact. Further, with respect to key employees and primary management officials, the Tribe shall also retain copies of applications for employment and reports, if any, of background investigation for inspection by the NIGC for no less than 3 years from the date of termination of employment. If a license is not issued to an applicant, the Gaming Commission shall notify the NIGC and may forward copies of its eligibility determination and investigative report, if any, to the NIGC for inclusion in the Indian Gaming Individuals Record System.

Section 13. Issuance and Suspension of Licenses

13.1 No Objections by NIGC

If, within a 30-day period after the NIGC receives an application and report as required under Section 12, the NIGC notifies the Gaming Commission that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the Gaming Commission has provided an application and investigative report to the NIGC, the Gaming Commission may issue the license.

13.2 Objections by NIGC

If, within the 30-day period established, the NIGC provides a statement itemizing objections to issuance of a license to a key employee or primary management official, the Gaming Commission shall reconsider the application, taking into account such objections. The Gaming Commission retains the right to make the final determination whether to issue the license to such an applicant.

13.3 Extension of NIGC's 30-day Review Period

In the event the NIGC has requested any additional information pursuant to Subsection 12.3, the 30-day period referred to in Subsections 13.1 and 13.2 shall be suspended until the NIGC receives the additional information.

13.4 License Suspension

If, after the issuance of a gaming license, the Gaming Commission receives reliable information from the NIGC or other reliable source indicating that a key employee or a primary management official is not eligible for employment under Subsection 11.3, the Gaming Commission shall suspend the license and shall notify the licensee in writing of the license suspension and

proposed revocation. The Gaming Commission shall notify the licensee of a time and place for a hearing on the proposed revocation of a license. After the revocation hearing, the Gaming Commission shall determine whether to revoke or to reinstate the gaming license and notify the NIGC of its decision.

Section 14. Applications

14.1 Forms

Each application form for a key employee or a primary management official, as well as for all other Class A license applicants, unless otherwise specifically exempted by the Gaming Commission, shall contain the notices set forth in Subsection 14.2 and 14.3 below:

14.2 Privacy Act Notice

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 as 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 your SSN may result in errors in processing your application.

14.3 Notice Regarding False Statements

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 (18 U.S.C. §1001).

14.4 Existing Key Employees or Primary Management Officials

Any existing key employee or primary management official, or other Class A licensee unless otherwise specifically exempted by the Gaming Commission, shall be notified that they shall either:

- 14.4.1 Complete a new application form that contains the Privacy Act notice and the notice regarding false statements; or
- 14.4.2 Sign a statement that contains the Privacy Act notice and consent to the routine uses described in that notice, and sign a statement that contains the notice regarding false statements.

Section 15. Compacts

In addition to the provisions set forth above, no Class III gaming shall be engaged in or on Tribal lands unless a Compact has first been obtained in accordance with IGRA, 25 U.S.C. § 2710(d)(1)(C). All negotiations for such a Compact shall be conducted through the Chairperson of the Tribe, with the advice and suggestion of the Gaming Committee.

Section 16. Interest in Management Contracts

No elected official of the Tribe, including the Gaming Commission, the Gaming Committee or any other committee or agency of the Tribe, shall have a financial interest in or management responsibility for any management agreement entered into pursuant to IGRA, nor shall such persons serve on the board of directors or hold (directly or indirectly): a) 10% or more of the issued and outstanding stock of any corporation having a financial interest in or management responsibility for such a management agreement; or b) 10% or more of the beneficial interest in any partnership, trust or other entity having a financial interest in or management responsibility for such a management agreement.

Section 17. Service of Process

The Tribe designates as its agent for service of any official determination, order, or notice of violation, the Chairperson or Vice-Chairperson of the Gaming Committee, or in the event that the Committee no longer exists, then the agent for such service shall be the Chairperson of the Tribe

Section 18. Tribal Gaming Corporation

Nothing in this Gaming Ordinance shall prevent the Tribe, through its General Council, from delegating the authority to conduct gaming to one or more Tribal corporations, agencies or entities, so long as the Tribal gaming operations to which such authority is delegated agree to meet all criteria and requirements established under this Gaming Ordinance.

Section 19. Adoption of Ordinance

This Gaming Ordinance shall become effective upon its adoption by the General Council and approved by the NIGC.

Section 20. Regulations

Pursuant to Article 3, Section C(8) of the Tribe's Constitution, the General Council hereby authorizes the Gaming Committee to promulgate such regulations and guidelines as the Gaming Committee deems appropriate to implement the provisions of this Ordinance. Nothing in this Section shall be interpreted as limiting the inherent authority of the General Council to enact further ordinances dealing with Class II or Class III gaming.

Section 21. Repeal

All prior gaming ordinances are hereby repealed.

CERTIFICATION

I, Viola Peck, as Secretary of the La Jolla Band of Luiseno Indians, do hereby certify that at a General Council Meeting held on December 15, 1999, this Ordinance was reviewed and approved by a vote of 22 in favor, 0 opposed and 3 abstaining. I do hereby certify that this Ordinance has not been amended or rescinded in any way.



Viola Peck, Secretary



Date



LA JOLLA INDIAN RESERVATION

22000 Hwy 76 • Pauma Valley, CA 92061
(760) 742-3771 • Fax (760) 742-1704

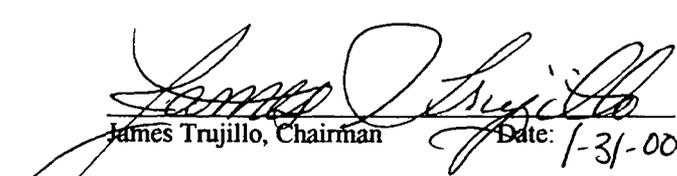
La Jolla Band of Luiseno Indians Gaming Committee Resolution No. 2000-01

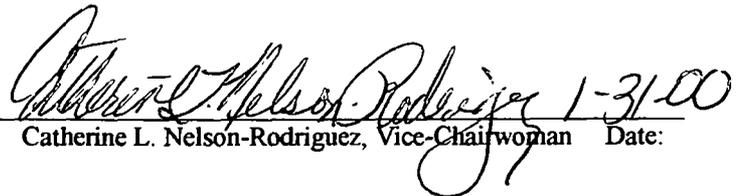
- WHEREAS,** The La Jolla Band of Luiseno Indians ("the Tribe") is a federally recognized American Indian Tribe recognized by the United States Secretary of the Interior as having jurisdiction over Indian Lands in California which are eligible for gaming under the Indian Gaming Regulatory Act (25 U.S.C. Sections 2701-2721) ("IGRA"); and
- WHEREAS,** The General Council is the governing body of the Tribe pursuant to Article 3 of the Tribes Constitution, having all the legislative powers and responsibilities of the Tribal Government; and
- WHEREAS,** The General Council, pursuant to Article 3, Subsection C(8) of the Tribe's Constitution, may delegate, by ordinance or resolution, any of its enumerated powers and duties to a committee; and
- WHEREAS,** The General Council, pursuant to Section 20 of the Tribe's Gaming Ordinance, duly adopted on December 15, 1999, has delegated to the Tribe's Gaming Committee the power and responsibility of promulgating such regulations as the Gaming Committee deems appropriate to implement the provisions of the Gaming Ordinance; and
- WHEREAS,** Additional procedures for conducting background investigations and licensing are necessary to implement the Gaming Ordinance and to have the Gaming Ordinance approved by the Chairman of the National Indian Gaming Commission pursuant to 25 C.F.R. Section 522.2(b)-(c);

NOW, THEREFORE BE IT RESOLVED: That the Gaming Committee, hereby adopts the following gaming regulations: Gaming Regulation 001, Procedures for Conducting Background Investigations, and Gaming Regulation 002, Licensing Requirements and Procedures.

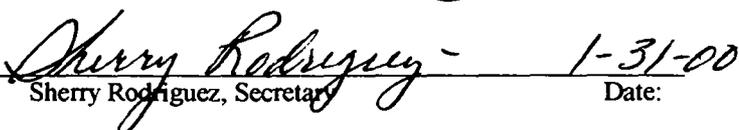
CERTIFICATION

We, the undersigned officers of the La Jolla Band of Luiseno Indians Gaming Committee do, hereby, certify that the foregoing Resolution is adopted by the Gaming Committee by a vote of 8 in favor, 0 opposing, and 1 abstaining, at a duly called meeting on 1-28-00, and such resolution has not been rescinded or amended in any way.


James Trujillo, Chairman Date: 1-31-00


Catherine L. Nelson-Rodriguez, Vice-Chairwoman Date: 1-31-00


Mark Lofton, Treasurer Date: 1-31-00


Sherry Rodriguez, Secretary Date: 1-31-00