



November 20, 2015

Chairwoman Claudia Gonzales
Picayune Rancheria of the Chukchansi Indians
8080 North Palm Avenue
Fresno, CA 93711

Re: Review of financing documents for Picayune Rancheria of Chukchansi Indians

Dear Chairwoman Gonzales:

This letter responds to the Picayune Rancheria of Chukchansi Indians' request for the National Indian Gaming Commission's Office of General Counsel to review several agreements for the refinancing of existing debt related to the Tribe's gaming enterprise. The Tribe has asked for an opinion whether these agreements are management contracts requiring the NIGC Chairman's approval under the Indian Gaming Regulatory Act. The Tribe also has asked for an opinion whether the agreements violate IGRA's requirement that a tribe have the sole proprietary interest in its gaming operation.

In my review, I considered the following submissions (collectively, "the Financing Documents") all unexecuted, but represented to be in substantially final form:

- Credit Agreement(L&W Draft 11/17/15; CH\2069551.17);
 - Principal Offices (blank) (Appendix A to Credit Agreement);
 - Form of Note (EXHIBIT A to Credit Agreement; CH\2101078.2);
 - Form of Funding Notice (EXHIBIT B to Credit Agreement; CH\2101078.2);
 - Form of Guaranty (EXHIBIT C-1 to Credit Agreement; CH\2103660.4);
 - Form of Assignment and Acceptance (Exhibit F-1 to Credit Agreement; CH\2101057.2);
 - Standard Terms and Conditions for Assignment and Acceptance (Annex 1 to Assignment and Acceptance; CH\2101057.2);
 - Form of Affiliated Assignment Notice (EXHIBIT F-2 to Credit Agreement; CH\2103364.2);
 - Form of Lender Addendum (EXHIBIT G to Credit Agreement; CH\2101078.2);
 - Form of US Tax Compliance Certificate (Exhibit H-1 to Credit Agreement; CH\2101602.2);
 - Form of US Tax Compliance Certificate (Exhibit H-2 to Credit Agreement; CH\2101602.2);
 - Form of US Tax Compliance Certificate (Exhibit H-3 to Credit Agreement; CH\2101602.2);

- Form of US Tax Compliance Certificate (Exhibit H-4 to Credit Agreement; CH\2101602.2);
- Form of Subordinated Intercompany Note (Exhibit K to Credit Agreement; CH\2101076.2);
- Insurance Requirement (Exhibit J to Credit Agreement; CH\2158621.2);
 - Schedule 3.18 – Insurance (CH\2158621.2);
- Security Agreement (*L&W Draft 8/11/15*; CH\2069238.4);
 - Joinder Agreement (ANNEX I to SECURITY AGREEMENT; SD\817436.15; CH\2069238.3);
 - Security Agreement Supplement (EXHIBIT A to Security Agreement; CH\2069238.3);
 - Uncertificated Securities Control Agreement (EXHIBIT C to SECURITY AGREEMENT; CH\2069238.3);
 - Termination of Control Agreement letter (Exhibit A to Uncertificated Securities Control Agreement; CH\2069238.3);
- Amended and Restated Deposit Account Control Agreement (CH\2114620.4);
 - Notice of Default letter (Exhibit A; CH\2114620.4);
 - Notice of Tribal Default letter (Exhibit B; CH\2114620.4);
 - Termination of DACA letter (Exhibit C; CH\2114620.4);.
- Disbursement Agreement (*L&W Draft 10/30/15*; CH\2104794.11);
 - Form of Withdrawal Certificate (Exhibit A to the Disbursement Agreement; CH\2113093.4 Exhibits to Disbursement Agreement);
 - Form of Distribution Certificate (Exhibit B to the Disbursement Agreement; CH\2113093.4 Exhibits to Disbursement Agreement);
 - Re-Opening Budget Amendment Certificate (Exhibit C to the Disbursement Agreement; CH\2113093.3; CH\2113093.4 Exhibits to Disbursement Agreement);
 - Disbursement Request (Exhibit D to the Disbursement Agreement; CH\2113093.3; CH\2113093.4 Exhibits to Disbursement Agreement);
 - Certificate of Re-Opening Consultant (Exhibit D-13; CH\2113093.4);
 - Re-opening Date Certificate (Exhibit E to the Disbursement Agreement; CH\2113093.4 Exhibits to Disbursement Agreement);
- Intellectual Property Security Agreement (*L&W Draft 8/13/2015*; CH\2105330.4);
- Intercreditor Agreement (*L&W DRAFT 10/30/15*; CH\2101082.10);
 - [FORM OF] GRANTOR JOINDER AGREEMENT (*L&W DRAFT 7/24/15*; CH\2101082.4);
- Forbearance and Accommodation Agreement (*LRR DRAFT DATED: AUGUST 26, 2015*; Accommodation Agreement 6456727.3);
- Second Supplemental Indenture (*LRR DRAFT DATED: November 4, 2015*; 6591178_6); and
- UMB Bank, National Association, Fee Letter (CH\2141297.3).

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The Financing Documents contain terms similar to other agreements the Office of General Counsel has already reviewed and analyzed. *See* www.nigc.gov/Reading_Room/Management_Review_Letters.aspx. Applying the same analysis here, it is my opinion that the Financing Documents are not management contracts and do not require the approval of the Chairman. It is also my opinion that they do not violate IGRA's sole proprietary interest requirement.

I note that the Financing Documents have been submitted as unexecuted drafts that are in substantially final form with respect to terms affecting this opinion. If such terms change in any material way or are inconsistent with assumptions made herein, this opinion shall not apply. Further, this opinion is limited to the Financing Documents listed above and does not include or extend to any other agreements.

I anticipate this letter will be posted to the NIGC's website. Prior to posting, NIGC will notify you and give you an opportunity to identify and request that information subject to the exemptions under FOIA be redacted or withheld. A list of the FOIA exemptions may be found at 5 U.S.C. § 552(b).

If you have any questions, please contact NIGC Associate General Counsel Heather Corson at (202) 632-7003.

Sincerely,

A handwritten signature in blue ink that reads "Michael Hoenig". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael Hoenig
General Counsel

cc: John Peebles
Frederick, Peebles, & Morgan LLP
(via email: jpeebles@ndnlaw.com)