



November 2, 2018

*Via First Class Mail and Email*

Leonika Charging  
3610 N. 163rd Plaza  
Omaha, NE 68116  
lcharging@ndnlaw.com

Re: Review of Loan Documents for the Santee Sioux Nation

Dear Ms. Charging:

This letter responds to your May 25, 2018 and September 27, 2018 requests for the National Indian Gaming Commission's Office of General Counsel to review loan documents between the Santee Sioux Nation and Great Western Bank. Specifically, you have asked for my opinion whether the loan documents are management contracts requiring the NIGC Chair's approval under the Indian Gaming Regulatory Act. You also asked for my opinion whether the loan documents violate IGRA's requirement that the Santee Sioux Nation has the sole proprietary interest in its gaming activity.

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

- *Loan Agreement* (Draft: October 3, 2018; 4811-4687-2940.7 in lower left corner);
- *Security Agreement* (Draft: October 30, 2018; 4831-0127-0636.5 in lower left corner);
- *Control Agreement* (Draft: September 24, 2018; 4853-0094-4241.3 in lower left corner);
- *Springing Depository Agreement* (Draft: September 24, 2018; 4846-0506-3537.4 in lower left corner);
- *Tax Exempt Promissory Note* (Draft: October 3, 2018; 4838-4110-8082.4 in lower left corner);
- *Taxable Promissory Note* (Draft: October 3, 2018; 4835-1100-2783.3 in lower left corner); and
- *Consent to Enter Trust Lands* (Draft: March 2, 2018).

The Loan Documents contain terms similar to other agreements the Office of General Counsel has already reviewed and analyzed, which are available on the NIGC's website. Applying the same analysis here, it is my opinion that the Loan Documents are not management

contracts and do not require the approval of the NIGC Chair. It is also my opinion that they do not violate IGRA's sole proprietary interest requirement.

It is my understanding that the drafts are represented to be in substantially final form, and if the Loan Documents change in any material way prior to closing or are inconsistent with assumptions made herein, this opinion shall not apply. Further, this opinion is limited to the Loan Documents listed above. This opinion does not include or extend to any other agreements not submitted for review.

Please note that it is my intent that this letter be released to the public through the NIGC's website. If you have any objection to this disclosure, please provide a written statement explaining the grounds for the objection and highlighting the information that you believe should be withheld.<sup>1</sup> If you object on the grounds that the information qualifies as confidential commercial information subject to withholding under Exemption Four of the Freedom of Information Act ("FOIA"),<sup>2</sup> please be advised that the information was voluntarily submitted and, as such, that any withholding should be analyzed in accordance with the standard set forth in *Critical Mass Energy Project v. NRC*.<sup>3</sup> Any claim of confidentiality should also be supported with "a statement or certification by an officer or authorized representative of the submitter."<sup>4</sup> Please submit any written objection to FOIASubmitterReply@nigc.gov **within thirty (30) days of the date of this letter**. After this time elapses, the letter will be made public and objections will no longer be considered.<sup>5</sup> If you need any additional guidance regarding potential grounds for withholding, please see the United States Department of Justice's Guide to the Freedom of Information Act at <https://www.justice.gov/oip/doj-guide-freedom-information-act-0>.

If you have any questions, please contact NIGC Staff Attorney Steve Iverson at (202) 632-7003 or by email at [steven\\_iverson@nigc.gov](mailto:steven_iverson@nigc.gov).

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

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<sup>1</sup> 25 C.F.R. § 517.7(c).

<sup>2</sup> 5 U.S.C. § 552(b)(4).

<sup>3</sup> 975 F.2d 871 (D.C. Cir. 1992).

<sup>4</sup> 25 C.F.R. § 517(c).

<sup>5</sup> *Id.*