SETTLEMENT AGREEMENT
SA-08-06

INTRODUCTION

This Settlement Agreement (Agreement) is entered into by and between the Cheyenne and Arapaho Tribes (Tribes), a federally recognized Indian tribe, and the Chairman of the National Indian Gaming Commission (NIGC), relating to the matter contained in the NIGC Chairman’s Notice of Violation No. NOV-08-06.

RECITALS

1. Whereas, on May 22, 2008, the Chairman issued Notice of Violation No. NOV-08-06 for the Tribes’ failure to submit license applications, background investigations, and eligibility determinations for key employees and primary management officials and for employing key employees and primary management officials for more than 90 days without a license.

2. Whereas the Chairman and the Tribes desire to achieve an amicable resolution of Notice of Violation No. NOV-08-06.

3. Therefore, the Chairman and the Tribes have agreed to execute this Agreement and perform in accordance with the following covenants and conditions:

TERMS OF SETTLEMENT

4. This Agreement is entered into pursuant to 25 C.F.R. § 575.6(b) and shall be effective upon the date that it is signed by the last party to sign this Agreement (Effective Date).

5. The Tribes agree that they were required to submit to the NIGC license applications, background investigations, and eligibility determinations for key employees and primary management officials.

6. The Tribes agree that they were required to issue licenses for any key employees or primary management officials within 90 days of hire.
7. The Tribes agree that they failed to submit license applications, background investigations, and eligibility determinations for 142 key employees and primary management officials.

8. The Tribes agree that they employed 142 key employees and primary management officials without a gaming license for more than 90 days.

9. The Tribes agree that the failure to submit license applications, background investigations, and eligibility determinations is a violation of the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 et seq. (IGRA), NIGC regulations, and the Tribes' gaming ordinance.

10. The Tribes represent that prior to the issuance of the NOV, the Tribal Administration became aware of potential employee licensing problems. The Tribes took corrective action including appointing three new Commissioners in January 2008. The current Gaming Commission took action regarding the Commission personnel and consultants involved with licensing for the Commission in order to correct the licensing problems. The current Gaming Commission is moving to correct the licensing violations for those employees who are the subject of the NOV and comply with terms of this Agreement.

11. The Tribes agree to pay a fine of fifty-five thousand dollars ($55,000). Twenty-seven thousand five hundred dollars ($27,500) of the fine will be paid within 30 days of the effective date of this Agreement. The remaining twenty-seven thousand five hundred dollars ($27,500) will be suspended pending the submission of fingerprint cards, the completion of background investigations, the determination of suitability of individuals to work in a gaming operation, and the licensure of all key employees and primary management officials subject to NOV-08-06. The first twenty-five (25) of these submissions must be received, and the licensing completed, within 30 days of the effective date of this agreement. The remaining submission must be received, and the licensing completed, within 135 days of the effective date of this agreement. The Tribes also agree to continue submitting status reports notifying the NIGC, in fifteen (15) day intervals, of the measure taken to correct the violation.

12. The NIGC Chairman will forgive the suspended twenty-seven thousand five hundred dollars ($27,500) if, after conducting a site visit after the submissions and licensing due date set forth in paragraph 11 have passed, NIGC staff can confirm that the licensing files for all key employees and primary management officials that are the subject of NOV-08-06 have been properly completed. However, if the review performed by NIGC staff reveals that the licensing process for all key employees and primary management officials subject to NOV-08-06 were not completed by the submission and licensing due date set forth in paragraph 11, the remaining twenty-seven thousand five hundred dollars ($27,500) will become due. In this event, the NIGC will provide notice to the Tribes that the site visit revealed incomplete licensing files for any key employee or primary management
official that was subject to NOV-08-06. Such notice will identify which files remain out of compliance and the manner in which the file is deficient. Payment of the remaining twenty-seven thousand five hundred dollars ($27,500) will be due within thirty (30) days of such notice.

13. The Chairman agrees upon execution of this Agreement to waive the right to impose further civil fine against the Tribes for NOV-08-06, unless the Tribes fail to comply with this agreement. If the Tribes fail to comply with this Agreement, the Chairman reserves the right to issue a temporary closure order against the Tribes as outlined in 25 C.F.R. § 573.6.

14. The Tribes agree upon execution of this Agreement to waive the right to further review of matters addressed in this Agreement, including all rights to appeal to the full Commission as set forth in 25 C.F.R. Part 577, and judicial review pursuant to 25 U.S.C. § 2714.

15. Subsequent to the parties' acceptance of this Agreement, the civil fine assessment set forth herein will become a Final Assessment Order of the Commission.

**ADDITIONAL COVENANTS**

16. This Agreement constitutes the entire agreement between the NIGC Chairman and the Tribe relating to the enforcement matter set forth in Notice of Violation No. NOV-08-06. Any modification or waiver of any term of this Agreement must be in writing and signed by both parties.

17. The Tribes stipulate that this Agreement shall be deemed to be the subject of a final order of the NIGC under 25 C.F.R. § 575.4(c)(1) and a final agency action pursuant to 25 C.F.R. § 577.9(d).

18. The NIGC Chairman and Tribes expressly agree and acknowledge that time is of the essence in this Agreement. The recitals herein shall be binding upon the parties, their agents, heirs, personal representatives, successors and assigns.

19. The parties agree that upon the Effective Date, the Agreement shall be a public document and may be published or disclosed by either party.

20. This Agreement may be executed on one or more counterparts and each shall constitute and original. A signature produced by facsimile shall be deemed to be an original signature and shall be effective and binding for purpose of the Agreement.

The Cheyenne and Arapaho Tribes

National Indian Gaming Commission
Darrell Flyingman, Governor  
Cheyenne and Arapaho Tribes  

Date: 8/1/08

Phillip N. Hogen, Chairman  
National Indian Gaming Commission  

Date: 8/11/08

Floyd Bringing Good, Chairman  
Cheyenne and Arapaho Gaming Commission  

Date: 8/2/08