June 12, 2025

VIA EMAIL

Ryan Mills, General Counsel
Sault Ste. Marie Tribe of Chippewa Indians
523 Ashmun Street
Sault Ste. Marie, Michigan 49783

Re: Review of Financing Documents for Kewadin Casinos Gaming Authority

Dear Mr. Mills:

This letter responds to the May 1, 2025, request from Aaron Schlehuber, on behalf of the Kewadin Casinos Gaming Authority, a governmental instrumentality of the Sault Ste. Marie Tribe of Chippewa Indians (Tribe) for the National Indian Gaming Commission's (NIGC) Office of General Counsel to review financing documents involving the Kewadin Casinos Gaming Authority and PNC Bank, National Association. Specifically, you have asked for my opinion whether the documents are management contracts requiring the NIGC Chairwoman's approval under the Indian Gaming Regulatory Act (IGRA). You also asked for my opinion whether the loan documents violate IGRA's requirement that the Tribe have 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 Dated as of [__], 2025 between Kewadin Casinos Gaming Authority, as Borrower, and PNC Bank, National Association, as the Lender* (marked at top right of cover page as "NIGC Submission Draft", and at bottom left as "4139-0718-9844.5");
    - Schedule 4.4 *Subsidiaries of the Tribe* (marked at bottom left as "4139-0718-9844.5");
    - Schedule 4.10 *Description of Real Property (tribal lands)* (marked at bottom left as "4139-0718-9844.5");

  - Schedule 4.7 *Other Liabilities* (marked at bottom left as "4139-0718-9844.5");
  - Schedule 4.13 *Litigation* (marked at bottom left as "4139-0718-9844.5");
  - Schedule 4.24 *Environmental Matters* (marked at bottom left as "4139-0718-9844.5");
  - Schedule 4.26 *Operating Accounts* (marked at bottom left as "4139-0718-9844.5");
  - Schedule 6.7 *Existing Liens, Permitted Encumbrances and Rights of Others* (marked at bottom left as "4139-0718-9844.5");
  - Schedule 6.8 *Existing Indebtedness* (marked at bottom left as "4139-0718-9844.5");
  - Exhibit A *Compliance Certificate* (marked at top right of cover page as "NIGC Submission Draft", and at bottom left as "4146-4042-8630");
  - Exhibit B *Note* (marked at top right of cover page as "NIGC Submission Draft", and at bottom left as "4123-2628-6678");
  - Exhibit C *Request for Loan* (marked at bottom left as "4123-2628-6678");
    - Annex I *Section 6.11 In-Balance Test* (marked at bottom left as "4123-2628-6678");
  - Exhibit D *Other Distributions* (marked at bottom left as "4123-2628-6678");
  - Exhibit E *Kewadin Shores Order* (marked at bottom left as "4123-2628-6678");
  - Exhibit F *Notice of Conversion* (marked at bottom left as "4123-2628-6678");
  - Exhibit G *Charlotte Beach Lands Settlement* (marked at bottom left as "4123-2628-6678");

- *Security Agreement* (marked at top right of cover page as "NIGC Submission Draft", and at bottom left as "4139-3592-9429.2");
  - Schedule I *Collateral for Perfection by Possession* (marked at bottom left as "4139-3592-9429.2");
  - Schedule II *Letter-of-Credit Rights and Commercial Tort Claims* (marked at bottom left as "4139-3592-9429.2");
  - Schedule III *Deposit Accounts* (marked at bottom left as "4139-3592-9429.2");
  - Schedule IV *Securities Accounts* (marked at bottom left as "4139-3592-9429.2");
  - Schedule V *Commodity Accounts* (marked at bottom left as "4139-3592-9429.2");

  - Schedule VI *Legal Name; Jurisdiction of Formation; Books and Records; Location of Collateral* (marked at bottom left as “4139-3592-9429.2”);
  - Schedule VII *Intellectual Property* (marked at bottom left as “4139-3592-9429.2”);

- *Subordination Agreement* (marked at top right of cover page as “NIGC Submission Draft”, and at bottom left as “4147-3854-1654”);

- *Tribal Agreement Dated as of [__], 2025 between The Sault Ste. Marie Tribe of Chippewa Indians, as the Tribe, and PNC Bank, National Association, as the Lender* (marked at top right of cover page as “NIGC Submission Draft”, and at bottom left as “4130-4470-6901.2”).

The NIGC recognizes and respects that tribal governments are in the best position to determine tribal funding priorities. The NIGC also acknowledges that tribal governments are well aware of the requirements for the uses of net revenues from Indian gaming under IGRA. Often, tribal governments use gaming revenues to fund essential government services, including education, health care, police and fire protection, water and sewer services, and elderly and childcare. In funding these critical services, the NIGC encourages tribes to employ policies and procedures to ensure that their expenditure of tribal gaming revenues comply with IGRA. To this end, I recommend the Tribe review NIGC Bulletin 2022-4, Use of Net Gaming Revenues Bulletin (Updated), to ensure the uses of net gaming revenues, if any, as described in Exhibit D, Other Distributions, of the Loan Agreement comply with IGRA and are in accordance with Generally Accepted Accounting Principles. Should the Tribe have any questions regarding the Other Distributions as outlined in Exhibit D, the NIGC would be pleased to provide technical assistance.

With the exception of Exhibit D of the Loan Agreement, the Loan Documents contain terms similar to other agreements the Office of General Counsel has already reviewed and analyzed, opinion letters for 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 Chairwoman. It is also my opinion that they do not violate IGRA’s sole proprietary interest requirement.

It is my understanding that the draft Loan Documents 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 or documents not submitted for review.

Please note that it is my intent that this letter be released to the public through 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. *See* 25 C.F.R. § 517.7(c). 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), 5 U.S.C. § 552(b)(4), please be advised that any withholding should be analyzed under the standard set forth in *Food Marketing Institute v. Argus Leader Media*, 588 U.S. 427 (2019). Any claim of confidentiality should also be supported with "a statement or certification by an officer or authorized representative of the submitter." 25 C.F.R. § 517.7(d). Please submit any written objection to foia@nigc.gov **within thirty (30) days of the date of this letter**. After this time elapses, this letter will be made public, and objections will no longer be considered. *Id.* 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 Gigi Modrich at (202) 743-7603 or by email at gigi.modrich@nigc.gov.

Sincerely,

Rea Cisneros
General Counsel (A)