



OCT 27 2000

Dudley H. Burrows, Sr.
Chairperson
Grindstone Indian Rancheria
P.O. Box 63
Elk Creek, CA 95939

Dear Mr. Burrows:

This letter is in response to your request for the National Indian Gaming Commission (NIGC) to review and approve the Grindstone Indian Rancheria (Tribe) Gaming Ordinance. This letter constitutes approval of your submission under the Indian Gaming Regulatory Act (IGRA). 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 Tribe has jurisdiction.

With approval of the Tribe's Gaming Ordinance, the Tribe's Gaming Commission is 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, pursuant to 25 C.F.R. § 556.5(b), before the Tribal Gaming Commission issues a license to a key employee or primary management official.

Thank you for submitting the Gaming Ordinance for review and approval. The NIGC staff and I look forward to working with you and the Tribe on future gaming issues.

Sincerely yours,

A handwritten signature in black ink that reads "Montie R. Deer". The signature is written in a cursive style.

Montie R. Deer
Chairman

GRINDSTONE INDIAN RANCHERIA

ORDINANCE NO. 2000-04

AN ORDINANCE OF THE GRINDSTONE INDIAN RANCHERIA OF WINTUN-WAILAKI INDIANS OF CALIFORNIA ADOPTING AN ORDINANCE AUTHORIZING AND REGULATING GAMING OPERATED BY THE GRINDSTONE INDIAN RANCHERIA OF WINTUN-WAILAKI INDIANS OF CALIFORNIA

The Grindstone Indian Rancheria of Wintun-Wailaki Indians of California, a federally recognized Indian Tribe ("Tribe"), and acting through its Tribal Council in the exercise of its inherent sovereign power to enact ordinances and otherwise safeguard and provide for the health, safety and welfare of the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California and the members of the Tribe, hereby enacts this ordinance which shall hereinafter be cited as the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California Gaming Ordinance of 2000 ("Ordinance"). This Ordinance and any regulations promulgated thereunder shall constitute the entire gaming regulations for the Tribe.

1. Findings and Policy.

This Ordinance is adopted by the General Council, pursuant to its authority granted under the Tribe's Constitution (See Attachment A) to regulate gaming operations on lands held in trust for the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California, present or future, for the purpose of establishing the terms for gaming for tribal governmental and charitable purposes, and to develop, operate, and regulate such gaming consistent with the findings herein and in conformity with the federal Indian Gaming Regulatory Act (25 U.S.C. § 2701 et seq. ("IGRA")) and regulations promulgated thereunder.

The Tribe finds that:

a. Gaming is a valuable means of generating revenues that are needed for economic development, to promote tribal self-sufficiency, economic development, employment, job training, and a strong tribal government, and to fund and ensure essential social programs and services;

b. The Tribe desires to conduct certain forms of gaming to provide needed revenues to the Tribe, and to regulate and control such gaming in a manner that will protect the environment, the Reservation, the health, security and general welfare of the Tribe, the players, and the community; and

c. The Tribe desires to control all gaming operations on tribal lands present or future, and to manage and regulate such gaming in a manner that will adequately address such special interests and needs of the Tribe.

Section 2. Ownership of Gaming.

The Tribe shall be the owner and have the sole proprietary interest in and responsibility for the conduct of any gaming operation facilities and/or enterprise(s) authorized by this Ordinance, except to the extent the Tribe may contract with and license a person or entity to, operate or manage the enterprise pursuant to the provisions of IGRA and the regulations promulgated thereunder, or as otherwise permitted by law.

Section 3. Definitions.

Unless specified otherwise, the terms used herein shall have the same meaning as in IGRA, including but not limited to references to "Net Revenues," "Class I," "Class II," and "Class III" gaming, and except for references to "Commissioners", "Commission", or "Gaming Commission" which shall mean the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California Gaming Commission or its Commissioners, established and described herein.

a. **"Closely Associated Independent Contractor"** shall mean any contractor that shares common ownership, officers or directors with any management principal or person related thereto.

b. **"Confidential Records and Information"** shall mean:

(1) Records or information maintained by the Commission about individuals (such as, but not limited to, personnel records and records containing information about applications for Commission licenses, permits or benefits);

(2) Records or information reported to the Commission about business transactions and finances of a gaming facility or an applicant for a license or a licensee such as, but not limited to, real or personal property transactions, financial records (e.g., income statements, balance sheets, profit and loss statements), except for financial information subject to disclosure under other provisions of this Ordinance;

(3) Records or information about complaints to the Commission or investigations of those complaints by Commission officials, or other investigations conducted by the Commission;

(4) Correspondence of and to the Commission or the Commission Chairman; and

(5) Records which reveal the deliberative processes, impressions, evaluations, opinions, recommendations, meeting minutes, research, work product, theories, or strategy of the Commission.

c. **"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.

d. **"Gaming Activities"** shall mean any Class I, Class II, or Class III gaming activity conducted by or under the jurisdiction of the Tribe.

e. **"Gaming Commission"** shall mean the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California Gaming Commission, as established herein to monitor the Gaming Activities, investigate wrongdoing, conduct background investigations, issue licenses, and perform other duties as required for the regulation of Gaming on the Reservation.

f. **"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.

g. **"Gaming Enterprise"** shall mean any gaming business, event, enterprise or activity conducted by or under the jurisdiction of the Tribe.

h. **"Tribal Council"** shall mean the governing body of the Tribe, as set forth in the Tribe's Constitution (See Attachment A).

i. **"Investor"** means any person who manages any gaming activity or owns or leases equipment or facilities used in gaming activities or has loaned to or invested funds in any gaming activities, or who owns, or controls ten percent (10%) or more of any entity that is an investor or has contributed more than Five Thousand Dollars (\$5,000) to any such person or entity. Investor does not include a federally or state chartered bank or savings and loan.

j. **"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, floor manager, pit boss, dealer, croupier, approver of credit, or custodian of gaming devices including those persons with access to cash and accounting records within such devices. If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year, and the four (4) most highly compensated persons in the Gaming Enterprise are included in the definition of key employees. At the discretion of the Gaming Commission, other positions or persons may be included under and subject to the requirements for key employees.

k. **"National Indian Gaming Commission" ("NIGC")** shall mean the Commission established under IGRA.

l. **"Net Revenues"** shall mean gross gaming revenues from all Gaming Activities of a Gaming Enterprise, less amounts paid out as, or paid for, prizes and less total gaming-related operating expenses, excluding management fees.

m. **"Public Information"** means any information in the Commission records that is not confidential records or information.

n. **"Person"** shall mean any natural person or entity, including but not limited to, corporations, partnerships and trusts.

o. **"Primary Management Official"** shall mean the person who has management responsibility for a management contract; any person who has authority to hire and fire employees or to set up working policy for the Gaming Enterprise; 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 and subject to the requirements for primary management officials.

p. **"Indian Lands"** shall mean (A) all lands within the limits of any Indian Reservation; and (B) any lands title to which is either held in trust for the benefit of any Indian Tribe or individual subject to restriction by the United States against alienation and over which an Indian Tribe exercises governmental power.

q. **"State"** shall mean the State of California.

r. "Tribal Court" shall mean any court established by the Tribe to hear disputes or, if there is none that can exercise jurisdiction, then the Tribal Council.

s. "Tribal Member" shall mean any duly enrolled member of the Tribe.

Section 4. Gaming Commission.

a. Establishment of Gaming Commission. There is established by the Tribe a Commission, acting under the authority of the Tribe, to be known as the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California Gaming Commission. The Gaming Commission shall be composed of three (3) persons who shall be appointed by the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California Tribal Council, as further provided herein.

b. Qualifications. Commissioners must meet the following minimum qualifications:

(1) At least one must be an eligible voting member of the Tribe.

(2) Qualify for a license as a key employee or management official, after submitting to a background investigation as authorized by this Ordinance.

c. Disqualifications for Office. The following persons may not serve as Commissioners:

(1) Employees of any Gaming Enterprise on the Reservation;

(2) Persons related to any Gaming Contractor (including any principal thereof or Closely Associated Independent Contractor); and

(3) Persons who would fail to qualify for a license as a key employee or primary management official after the completion of a background investigation as provided in this Ordinance.

d. Terms of Office. The first two Commissioners appointed to serve on the Commission, shall be appointed for a term of three (3) years, and the third Commissioner for a term of two (2) years. Thereafter, all Commissioners shall be appointed for a term of five (5) years.

e. Appointment. Commissioners shall be appointed by the Tribal Council, using the following procedure.

(1) All applicants for Commissioner shall complete an application form adopted by the Tribal Council, and submit to a background check as authorized by this Ordinance. A commissioner may be appointed and take office, subject to passing a background investigation conducted after the appointment.

(2) At a duly called Tribal Council meeting, the Tribal Council shall vote for candidates who have applied. They shall vote separately to fill each vacancy. The candidate with the highest number of votes cast shall be appointed.

f. Removal from Office. Except as provided herein, Commissioners may only be removed from office before the expiration of their terms by the General Council for neglect of duty, misconduct, malfeasance, any cause that would disqualify them from serving on the Commission, any material omission or false statement in applying for appointment, or other acts that would render such persons unqualified for such duties or for licensure hereunder. An affirmative vote of a majority of the General Council present at a duly called meeting with a quorum present, after a duly noticed hearing at which the member charged with misconduct shall have the right to hear and present evidence concerning his/her removal, shall be required to remove a member of the Commission. At the request of the member whose removal is at issue, the hearing may be held in a session closed to the general public ("executive session"). The General Council also may elect to receive in executive session any evidence public disclosure of which might compromise any on-going law enforcement investigation. Notwithstanding the foregoing and without any prior notice or opportunity for a hearing, the Commission shall remove any Commissioner who fails to attend three (3) meetings in any consecutive twelve month period without the consent of the Commission, who fails a background investigation, or who dies or becomes disabled from performing his or her duties. The Tribal Council shall fill any mid-term vacancy for the unexpired term as provided in subsection e.

g. Quorum. Two (2) members of the Gaming Commission shall constitute a quorum.

h. Officers and Duties. The Gaming Commission shall select, by majority vote, a Chairman, Vice-Chairman and Secretary. The Chairman shall preside over meetings of the Gaming Commission

and the Vice-Chairman shall preside in absence of the Chairman. The Secretary shall record in writing the minutes of all Gaming Commission meetings and all official actions taken by the Gaming Commission.

i. Voting. All actions of the Gaming Commission shall be taken by majority vote. The Commission Chairman may vote on any issue. Roberts Rules of Order shall apply, unless the Commission adopts specific rules that differ from Roberts Rules of Order.

j. Meetings. Meetings shall be held at least once per month, on the second Tuesday of the month at the Tribe's primary meeting facility. Additional meetings shall be held as called by the Chairman or by at least two (2) other Commissioners. Notice of meetings, except regular meetings, shall be given in writing to each Commissioner, served by first class mail or personal delivery at least five (5) business days prior to such meeting. Meetings may be called at any time, by any means, with unanimous consent of the Commissioners.

k. Compensation for Serving. The Tribal Council shall determine and authorize the compensation to be paid to Commissioners based on a determination of time required to be expended upon Commission duties and the qualifications of the appointed Commissioners.

l. Powers and Duties.

The Gaming Commission shall have the power and duty to:

(1) Inspect, examine and monitor Gaming Activities, including the power to demand access to and inspect and examine any gaming facility, machine, device, practice, paper, book, record or area and in addition, to photocopy and audit all papers, books and records respecting such Gaming Activities;

(2) Investigate any suspicion of wrongdoing in connection with any Gaming Activities;

(3) Conduct, or cause to be conducted, such investigations as may be necessary to determine in connection with any Gaming Activities, compliance with law or this Ordinance or any contracts, agreements, other matters related to Gaming Activities;

(4) Conduct, or cause to be conducted, background investigations regarding any person in any way connected with

any Gaming Activities and issue licenses to, at minimum, all Key Employees and Primary Management Officials according to requirements at least as stringent as those in 25 C.F.R. parts 556 and 558;

(5) Hold such hearings, sit and act at such times and places, summon persons to attend and testify at such hearings, take such testimony, and receive such evidence as the Gaming Commission deems relevant in fulfilling its duties;

(6) Administer oaths or affirmations to witnesses appearing before the Gaming Commission;

(7) Implement and administer a system for investigating, licensing and monitoring employees and others connected with Gaming Activities, as described below, including the issuance of licenses to gaming facilities, individuals and entities as required under this Ordinance and IGRA;

(8) Hear disputes against the gaming establishment, in accordance with the procedures established in this Ordinance or rules adopted by the Commission;

(9) Subject to the approval of the Tribal Council and the appropriation of funds therefor, to employ and compensate such staff and support services as are reasonably required to fulfill its responsibilities under this Ordinance;

(10) To the extent required, comply with any reporting requirements required by this Ordinance, Tribal law or IGRA or established under a tribal-state compact to which the Tribe is a party and other applicable law, including the IGRA;

(11) Promulgate and issue such regulations as it deems appropriate, subject to review and approval by the Tribal Council, in order to implement and enforce the provisions of this Ordinance. Without Tribal Council approval the Commission may adopt rules of procedure governing how its meetings will be conducted;

(12) Promulgate regulations, subject to review and approval by the Tribal Council, to describe and establish rules for each Class II or Class III game authorized to be conducted on Tribal lands, gaming machine standards or systems of internal controls and no form of such gaming may be conducted on Tribal lands without the prior approval of the Gaming Commission;

(13) To establish such application and other fees as it deems necessary to cover the costs of its operations; and

(14) Carry out such other duties with respect to Gaming Activities on Tribal lands as the Tribal Council shall direct.

m. Reports.

(1) Monthly Reports. The Commission shall make monthly reports to the Tribal Council within thirty (30) days after the close of the month for which the information is being required. The reports shall include a full and complete statement of Gaming Revenues paid to the Tribe, expenses and all other financial transactions of the Commission and a summary of all licensing and enforcement actions.

(2) Annual Reports. On or before April 30th of each year, the Gaming Commission shall provide to the General Council an Annual Report summarizing its activities during the prior twelve (12) month period ending on December 31st, and accounting for all receipts and disbursements. The General Council shall cause copies of the Annual Report to be made available to Tribal Members within thirty (30) days after receipt.

(3) Other Reporting Requirements. As required, the Gaming Commission shall comply with any reporting requirements established under a tribal-state compact to which the Tribe is a party, and other applicable law, including the IGRA and regulations promulgated thereunder.

n. Disclosure of information. The Commission shall adopt rules consistent with this ordinance governing the disclosure of information in its records.

Public information shall be available to any Tribal official or member during normal business hours upon reasonable notice. Any Tribal official or member may request copies of any identifiable public record upon payment of a reasonable fee to cover the cost of locating and copying the document.

Commissioners, and its employees shall not disclose confidential records or confidential information, except as required to perform their specific job duties or to comply with applicable legal requirements.

Section 5. Authorization of Gaming Activities.

a. Class I Gaming. Class I Gaming Activities are hereby permitted to the extent consistent with tribal custom and practice. The Gaming Commission may prohibit and prevent any conduct which is claimed to be Class I gaming if the Tribal Council finds that such conduct is not in accordance with tribal customs or practices or violates IGRA or any other law.

b. Class II Gaming. The Tribe shall be authorized to conduct all forms of Class II gaming on Tribal lands.

c. Class III Gaming. The Tribe shall be authorized to conduct the following types of Class III gaming on Tribal lands.

(1) Electronic games of chance with video or mechanical displays, where such devices constitute electronic facsimiles of a game of chance rather than electronic aids in the playing of Class II games;

(2) Blackjack;

(3) Keno;

(4) Pari-mutuel Horse Racing;

(5) Any lottery game;

(6) Any other type of Class III gaming conducted pursuant to the terms of a Tribal/State compact.

d. Conditions for conducting Class II and Class III gaming. Class II and Class III gaming is authorized as provided in subsections b and c above, provided the Tribe has the sole proprietary interest in and responsibility for the conduct of any gaming enterprise. Nothing herein shall prohibit the Tribe from engaging the services of non-tribal persons as employees thereof or engaging any person or entity to provide consulting or other technical assistance or to assist the Tribe in the management of Gaming Activities pursuant to a management agreement entered into under the provisions of IGRA. Any Compact, when approved and published pursuant to IGRA, is hereby incorporated within and enacted as an integral part of this Ordinance with respect to all forms of Class III gaming as if set forth in full herein; provided, however, that nothing in the adoption of a Compact shall be deemed to affect the operation by the Tribe of any Class II gaming,

whether conducted within or without the gaming facilities, or to confer upon any state any jurisdiction over such Class II gaming conducted by the Tribe on the Tribe's Lands present or future.

Section 6. Gaming Revenues.

a. Tribal Property. 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 Activities are the property of the Tribe. Any profits or net revenues from Gaming Activities shall be deposited into the Tribe's general treasury or such other tribal account as the Tribe shall determine. Once becoming part of the treasury such funds shall lose any identity as gaming revenues except to the extent necessary to identify them as such in order to comply with applicable law. No Tribal Member shall be deemed to have any interest in such profits or net revenues, provided that the General Council may adopt rules for distributing gaming proceeds to Tribal Members on a per capita basis provided such plan meets the requirements of IGRA, 25 U.S.C. § 2710 (b)(3). Payments from the general treasury funds to Tribal Members under other tribal programs, including those related to health, welfare, education, elderly care, and housing, shall not be deemed to be per capita payments.

b. Use of Net Revenues. Net Revenues from Gaming Activities shall not be used for purposes other than:

- (1) To fund tribal government operations or programs;
- (2) To provide for the general welfare of the Tribe and its members;
- (3) To promote economic development for the Tribe;
- (4) To donate to charitable organizations;
- (5) To help fund operations of local government agencies; or
- (6) Per capita payments.

c. Per Capita Payments. When per capita payments are authorized under subsection b.6 and the Tribal Council, in its sole discretion, determines to make per capita payments:

(1) The Tribal Council shall prepare a financial plan or ordinance to allocate revenues to uses authorized under Section 6. The Tribal Council may form an advisory committee consisting of General Council members to make recommendations regarding the financial plan.

(a) The financial plan or ordinance to allocate revenue must be approved by majority vote of the General Council present at duly called meeting with a quorum present .

(b) No per capita payments shall be made pursuant to the financial plan or ordinance until it has been approved by the Secretary of the Interior, or his duly authorized designee.

(2) All per capita payments made to Grindstone Indian Rancheria of Wintun-Wailaki Indians of California members are subject to federal taxation. The members will be notified of such tax liability and any required withholding when payments are made.

Section 7. Operation of Gaming Establishments.

a. Gaming Permitted as Licensed. Gaming Activities shall only be conducted in tribally owned, operated and licensed facilities pursuant to the provisions of this Ordinance. Such activities shall be conducted in accordance with the terms and conditions of any license issued by the Tribe for such purposes as to each facility before any Gaming Activities may occur therein. 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 Commission or the Tribal Council may deem necessary to the conduct of Gaming Activities therein.

b. Protection of Environment and Public. Any construction or maintenance of any 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.

c. Public/Patron Disputes. If any customer or member of the general public has a dispute with the manager of a gaming facility or the Tribe, it shall be resolved using the following procedure.

Any gaming facility manager and the Tribe must endeavor to resolve disputes at the lowest level of management possible. Toward that end, any dispute involving gaming must be presented using a multi-step process.

Step 1: If a patron has a complaint involving the conduct of a game or his or her treatment at the facility, he or she must discuss the matter with the employee involved in the incident. The employee must listen carefully and courteously to the patron's complaint. All employees shall receive training in customer relations. If the employee fails to resolve the complaint to the customer's satisfaction or lacks the authority to remedy the complaint, he or she shall immediately contact his or her immediate supervisor, if available, or the floor manager.

Step 2: If the supervisor or floor manager fails to resolve the dispute to the customer's satisfaction or lacks the authority to remedy the complaint, he or she shall refer the complaint to the gaming facility manager. The supervisor or floor manager shall also notify security. If a customer is referred to the gaming facility manager, the gaming facility manager shall interview the customer and, if necessary, the involved employee(s) and shall make a decision within a reasonable time, not to exceed, five (5) days. The manager shall obtain the customer's name, address and telephone number. The manager shall notify the customer that if he or she remains dissatisfied, he or she can request in writing review by the Tribal Gaming Representative ("Representative") within seven (7) days of the manager's decision.

Step 3: The Representative shall review the customer's written appeal and may interview the customer, the manager and any involved employees. The Representative shall issue a written decision to the customer within five (5) working days of receiving the customer's appeal. The Representative's written decision shall include a notice that the customer may appeal the Representative's decision to the hearing panel appointed by the Tribal Council. The written appeal must include all information the customer wants the hearing panel to consider in acting on the appeal. The appeal must be filed within seven (7) days of the date on the Representative's decision.

Step 4: The hearing panel shall conduct such hearing on the appeal as it deems appropriate. It may limit its review to the written appeal and the written decision of the Representative or it may invite the customer to present written testimony and it may receive testimony from the involved employees. Tribal Council, based on the recommendation of the hearing panel, shall issue a written decision which shall be final.

All written notices and decisions shall be sent by regular first class mail to the customer at the address furnished by the customer. The time limits for complainants shall be calculated from the date appearing on the notices or decisions, provided these items are mailed on that date. The time limits for tribal officials shall be calculated from the postmarks appearing on the envelopes containing the appeals.

All claims by patrons shall be limited to a maximum recovery of \$10,000 per occurrence, and a cumulative limit of \$20,000 per patron in any twelve (12) month period.

Section 8. Audits.

a. Annual Audits. Annual outside audit by an independent certified public account or firm of accountants shall be conducted of each gaming activity and the results thereof reported to the Tribal Council, and, to the extent required by law, the Bureau of Indian Affairs and the National Indian Gaming Commission ("NIGC").

Section 9. Contracts.

a. Procurement. The Tribal Council shall adopt procurement policies from time to time. All purchases of services or supplies shall comply with the tribally adopted procurement policies.

b. Audit Requirements. All 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 subject to independent audits, and such contracts shall so specify.

c. Preference. Any management and investment gaming contracts or other contracts must make provision for the preferential hiring Grindstone Indian Rancheria of Wintun-Wailaki Indians of California members followed by a preference for Native people from the Grindstone Indian Rancheria of Wintun-Wailaki Indians of California and surrounding areas for jobs in the construction and operation of any gaming facilities or activities.

Section 10. Licenses.

a. Licensing Requirements. It is the declared policy of the Tribe that all Gaming Activities be licensed and controlled so as to protect the morals, good order and welfare of Tribal Members and other persons 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 the IGRA and regulations promulgated thereunder and, as applicable, provisions of a tribal-state compact, or of any applicable law.

b. Applicant Claim of Privilege. An applicant may refuse to disclose information based upon a claim of 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.

c. Release of Information. All persons applying for a license shall agree to release the information necessary in order for the Gaming Commission to achieve its goals under this Ordinance, and to furnish such information to the Bureau of Indian Affairs, the NIGC, or such other governmental agency as may be required by law.

d. Types of Licenses. Three classes of licenses (Class A, Class B, and Class C) shall be issued to persons and entities associated with Gaming Activities.

(1) Class A Licenses. All investors, Primary Management Officials, Key Employees, and Closely Associated Independent Contractors 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:

(a) 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.

(b) Anything else in his or her background which might create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming.

(2) Class B Licenses. Persons who are not among those identified in subsection (1) above, but are to be employed at a gaming facility on Tribal lands, 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 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.

(3) Class C Licenses. Minors (persons under 18 years of age) employed at a gaming facility on Tribal lands may be issued a Class C license, which will entitle them to work in any position for which a Class B license is required for adults and not otherwise prohibited by law, provided such minors are not deemed by the Gaming Commission to pose any threat 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. The Class C license shall be valid for no more than six (6) months before renewal, and shall be revoked upon the minor's reaching the age of 18, at which time a Class A or B license, as may be appropriate, will be required. Minors shall not be employed in any capacity requiring a Class A license and shall not participate in the sale or distribution of alcohol.

e. License Renewal. Class A and Class B licenses shall be subject to renewal at least every two (2) years, and may be revoked or suspended upon the occurrence of any act which, if known during the application process, would have tended to disqualify such person for such a license, or for any material omission or false statement in an application.

f. Temporary Licenses. Pending completion of an investigation for a license, temporary licenses of no more than ninety (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 ninety (90) days from date of issuance, upon issuance of a regular license, or at an earlier specified expiration date, whichever occurs first.

g. License Investigations. The Gaming Commission may employ all reasonable means, to acquire the information necessary to determine whether or not a license should be issued. Applicants shall also agree to release the information necessary in order for the Gaming Commission to achieve its goals under this section and to furnish such information to the Bureau of Indian Affairs, the NIGC, or such other agency as may be required by law.

h. License Fees. Unless specifically waived by the Gaming Commission, all license applicants 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 request. Payment for all reasonable fees and costs must be received by the Gaming Commission prior to issuance of the license.

i. Appeals. All decisions of the Gaming Commission regarding the issuance or revocation of licenses shall be effective when issued. An applicant or licensee whose license is denied, revoked or suspended may, within thirty (30) days after the date of receipt of a written decision of the Gaming Commission, file a petition with the Gaming Commission requesting a hearing to reconsider the decision, and shall have the right to appeal such decision to the Tribal Court in accordance with such rules and regulations as may be promulgated by the Tribal Court for that purpose. Any Tribal Member who is denied a license by the Gaming Commission may, within sixty (60) days of written notice of such denial, appeal the denial to the Gaming Commission, which shall have the power to reverse its prior decision and order that such license be issued, and shall have the right to appeal such decision to the Tribal Court, provided that no such license shall be issued for more than one (1) year, subject to the renewal procedures set forth herein, and provided further that no order of the Gaming Commission or Tribal Court that a license be issued shall be valid if such issuance would place the Tribe in violation of any tribal-state compact to which the Tribe is a party, or of any applicable law.

j. Background Investigations.

(1) The Gaming Commission shall request from each Primary Management Official and each Key Employee all of the information specified in subsections (a) through (n) below. Further, each other applicant for a Class A license, except as provided otherwise by the Gaming Commission, shall also submit the information specified in (a) through (n) below. The Gaming Commission reserves the right, at any time, to request additional information either prior to, during, or subsequent to any background investigation.

(a) Full name, other names used (oral or written), social security number(s), date of birth, place of birth, citizenship, gender, all languages (spoken or written);

(b) Currently and for at least the previous ten (10) years: business and employment positions held, ownership interests in those businesses, business and residence addresses and drivers license number(s);

(c) Names and current addresses of at least three (3) personal references, including one personal reference who was acquainted with the applicant during each period of residence as listed under subsection (b) above;

(d) Current business and residence telephone numbers;

(e) Description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;

(f) A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;

(g) 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 or permit was granted;

(h) 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;

(i) For each misdemeanor conviction or on-going misdemeanor prosecution (excluding minor traffic violations) within ten (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;

(j) For each criminal charge (excluding minor traffic charges), whether or not there is or was a conviction, if such criminal charge is within ten (10) years of the date of the application and is not otherwise listed above pursuant to subsections (h) or (i) above: the criminal charge, the name and address of the court involved and the date and disposition, if any, of the case;

(k) 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;

(l) Current photographs;

(m) Any other information the Tribe or Gaming Commission deems relevant; and

(n) Fingerprints consistent with procedures adopted by the Gaming Commission according to 25 C.F.R. § 522.2(h).

(2) The Tribe shall conduct or cause to be conducted an investigation, through the Gaming Commission, sufficient to make a determination of eligibility as required under this Ordinance. In conducting the background investigation, the Gaming Commission and its agents shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

(3) The Gaming Commission shall arrange for Glenn County Sheriff's Department, located in Willows, CA, to take the applicant's fingerprints and forward those fingerprints directly to the NIGC, to be forwarded to the Federal Bureau of Investigation, National Criminal Information Center, for review of the applicant's criminal history, and perform or arrange to have performed the necessary background investigation of the applicant required by this Ordinance. Such investigation shall include contacting each reference provided in the application and taking all appropriate steps necessary to verify the accuracy of the information contained in the application. There shall be a written investigation report of the findings and conclusions of each investigation. The investigative report shall include (1) the steps taken in conducting a background investigation; (2) the results obtained; (3) the conclusions reached; and (4) the basis for the conclusions. The Gaming Commission shall review the findings and conclusions of the report for the purpose of determining whether to grant or deny the license applied for.

k. 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 Enterprise 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.

1. Forwarding Licensing Applications and Reports to NIGC.

(1) On or before the date a Key Employee or Primary Management Official is employed by a Gaming Enterprise authorized under this Ordinance, the Gaming Commission, acting on behalf of the Tribe, shall forward to the NIGC the person's completed application for employment containing the information required above under Section 10. of this Ordinance.

(2) Prior to issuing a license to a Primary Management Official or Key Employee, the Gaming Commission, acting on behalf of the Tribe, shall forward to the NIGC, together with a copy of the eligibility determination made under subsection 10.1. above, an investigative report on each background investigation. The investigative report on each background investigation shall be forwarded to the NIGC within sixty (60) days after the employee begins work, or within sixty (60) days of the approval of this Ordinance by the NIGC. The Gaming Enterprise shall not employ or continue to employ any person as a Key Employee or Primary Management Official who does not have a license within ninety (90) days of beginning work.

The investigative report shall include the following information:

- (a) Steps taken in conducting a background investigation;
- (b) Results obtained;
- (c) Conclusions reached; and
- (d) The bases for those conclusions.

(3) The Gaming Commission, acting on behalf of the Tribe, shall provide to the NIGC or other agency, any other reports and information required by IGRA and regulations promulgated thereunder. Further, with respect to Key Employ-

ees and Primary Management Officials, the Gaming Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the NIGC for no less than three (3) years from the date of termination of employment.

(4) 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 Records System.

m. Granting a Gaming License.

(1) If, within a thirty (30) day period after the NIGC receives a report as required under subsection 10.1. above, the NIGC notifies the Tribe that it has no objection to the issuance of a license pursuant to the license application filed for a Key Employee or Primary Management Official for whom the Gaming Commission has provided an application and investigative report, the Gaming Commission may issue the license.

(2) The Gaming Commission shall provide any additional information requested by the NIGC concerning a Key Employee or Primary Management Official who is the subject of a report as required under this subsection. An NIGC request for additional information shall suspend the thirty (30) day period established under this subsection until the NIGC receives the additional information.

(3) If, within the thirty (30) day period established under this subsection, 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 applicant.

n. License Suspension.

(1) If, after issuance of a gaming license, the Tribe 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 the eligibility criteria established in section 10. above, the Gaming Commis-

sion shall suspend the license and shall notify the licensee in writing of the license suspension and proposed revocation.

(2) The Gaming Commission shall notify the licensee of a time and place for a hearing on the proposed revocation of a license.

(3) After the revocation hearing, the Gaming Commission shall determine whether to revoke or to reinstate the gaming license. For actions taken in response to information provided by the NIGC, the Gaming Commission shall notify the NIGC of its decision.

o. Facilities Licenses. A separate license shall be required for each place, facility, or location on any land where Class II and/or Class III gaming is to be conducted on Tribal Land. Before Class II or Class III Gaming Activities can be conducted therein, the Gaming Commission shall inspect and license each such facility in accordance with this Ordinance and any requirements of IGRA.

Section 11. Application Forms.

a. 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 subsections (1) and (2) below:

(1) Privacy Ordinance 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 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 a SSN may result in errors in processing your application.

(2) 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. (U.S. Code, title 18, § 1001)

b. Any existing Key Employee or Primary Management Official, or any other Class A licensee unless otherwise specifically exempted by the Gaming Commission, that has not completed an application form containing the language set forth in Section 11.a.(1) and (2) above, shall be notified that they must either:

(1) Complete a new application form that contains the Privacy Ordinance Notice and the Notice Regarding False Statements; or

(2) Sign a statement that contains the Privacy Ordinance Notice and consent to the routine uses described in that notice, and sign a statement that contains the Notice Regarding False Statements.

Section 12. Class III Gaming; Tribal-State Compacts.

The standards of operation and management for Class III games shall be those set forth in a Compact. The Tribe may adopt standards of operation and management for Class III games that are no less stringent than, or not otherwise inconsistent with, a Compact. All negotiations for such compacts shall be conducted through the Tribal Council, with the advice and suggestion of the Gaming Commission, and shall be finalized in accordance with tribal law.

Section 13. Interest in Management Contracts by Tribal Officials.

No elected official of the Tribe, including the Gaming Commission 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 elected official serve on the board of directors or hold (directly or indirectly) ten percent (10%) or more of the issued and outstanding stock of any corporation, or ten percent (10%) or more of the beneficial interest in any partnership, trust, or other entity, having a financial interest in, or management responsibility for, such contract.

Section 14. Service of Process.

The Tribe designates as its agent for the service of any official determination, order, or notice of violation, the Chairperson of the Tribe.

Section 15. Tribal Gaming Corporation.

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

Section 16. Repeal of Prior Gaming Ordinance; Effective Date.

This Ordinance and the regulations promulgated thereunder shall constitute the entire gaming regulations of the Tribe. All prior gaming acts and ordinances of the Tribe are repealed, and this Ordinance shall become effective upon its approval by the NIGC.

Section 17. Severability.

If any provision or application of this Ordinance is determined by review to be invalid, such determination shall not be held to render such provision inapplicable to other persons or circumstances, nor shall such determination render invalid any other provision of this Ordinance.

Section 18. Amendments.

All provisions of this Ordinance are subject to revision, repeal, or amendment by the Tribal Council at any time. Regulations promulgated by the Gaming Commission under this Ordinance are subject to revision, repeal or amendment by the Gaming Commission at any time.

The foregoing Ordinance was adopted at a regular meeting of the General Council with a quorum present held on the 27th day of August, 2000, by the following vote:

AYES: 20

NOES: 0

ABSTAIN: 0

Dudley H. Burrows 8/28/00
Dudley H. Burrows, Chairperson
Grindstone Indian Rancheria

ATTESTED:

Terri Burrows 8/28/00
Terri L. Burrows, Secretary/Treasurer
Grindstone Indian Rancheria

TRIBAL SEAL

