WAGANAKISING ODAWAK STATUTE 2010-012
GAMING REGULATORY STATUTE

SECTION I. PURPOSE

The purpose of this Statute is to authorize the regulating of the terms and conditions under which Class I, II, and III gaming may be conducted on the lands of the Tribe. This Statute rescinds and replaces the Gaming Regulatory Statute Waganakising Odawak Statue 2005-06.

SECTION II. DEFINITIONS

Unless a different meaning is clearly indicated in this Statute, the terms used herein shall have the same meaning as defined in the Indian Gaming Regulatory Act (IGRA) as currently codified at , 25 U.S.C. § 2701 *et seq.*, and its regulations, 25 C.F.R. § 500 *et seq,* or as amended. Throughout this Statute, citations to Tribal or Federal statutes and regulations include successor statutes and regulations if such future changes do not alter the intent of this Statute. Additionally:

A. "Board of Directors" means the Tribal Gaming Board of Directors created under Waganakising Odawak Statute 2009-012 or as amended, or any successor entity created by Tribal Statute to carry out non-regulatory aspects of the Tribe's gaming operation.

B. "Commission" means the Gaming Regulatory Commission which is comprised of three to five appointed officials, assisted by regulatory staff, to fulfill the duties required for regulation of the tribal gaming operations.

C. "Commissioner" means a Little Traverse Bay Bands of Odawa Indians Tribal Gaming Regulatory Commissioner.

D. "Compact" means a Tribal-State Compact concerning class III gaming under federal regulations.

E. "Complimentary Items" means a service or item provided at no cost, or at a reduced cost, to a customer, but does not include discounts offered equally to all Tribal Citizens, tribal employees, or attendees at a conference or training. .

F. "Directly related to" means immediate family relations as defined in the Tribe's nepotism statute, Waganakising Odawak Statute 2002-05, WOTC Title XIV, Section 6.414 as amended.

G. "Enterprise" or "Gaming Operations" means the Odawa Casino Resort and its ancillary enterprises and activities, and other tribally owned enterprises or businesses related to gaming.

H. "Gaming" or "Gambling" means Class II or III gaming activity conducted by the Gaming Enterprise.

I. "Key Employee" means:

1. A person who performs one or more of the following functions:

a. Bingo caller

b. Counting room supervisor

c. Chief of security

d. Custodian of gaming supplies or cash

e. Floor manager

f. Pit boss

g. Dealer

h. Croupier

i. Approver of credit

j. Custodian of gambling devices including persons with access to cash and accounting records within such devices;

k. Custodians of confidential or proprietary information or records

2. If not otherwise included, any other person whose total cash compensation is in excess of $50,000 per year.

3. If not otherwise included, the four most highly compensated persons in the gaming operation.

J. "Net Revenues" means gross gaming revenues of the Little Traverse Bay Bands of Odawa Indians gaming operation less:

1. Amounts paid out as, or paid for, prizes.

2. Total gaming-related operating expenses, including all those expenses of the gaming operation commonly known as operating expenses and non-operating expenses consistent with professional accounting pronouncements, excluding management fees.

K. "Non key employee" means any employee of the gaming operation that is not a key employee or primary management official.

L. "Primary Management Official" means:

1. The person(s) having management responsibility for a management contract.

2. Any person who has authority.

a. To hire and fire employees.

b. To set up working policy for the gaming operation.

c. The chief financial officer or other person(s) who has financial management responsibility.

d. Any other person designated by the Gaming Regulatory Commission based on level of signing authority or job position responsibilities.

M. "Tribal Chair" and "Vice Chair" means the Executive created under Article VIII of the LTBB Constitution.

N. "Tribal Council" means the Legislative body of the Little Traverse Bay Bands of Odawa Indians (LTBB).

O. "Tribal Court" means the LTBB Court created under Article IX of the LTBB Constitution.

P. "Tribal lands" means all lands within the Little Traverse Bay Bands of Odawa Indians jurisdictional reservation boundaries, and any lands title to which are held in trust by the United States for the benefit of the Little Traverse Bay Bands of Odawa Indians.

Q. "Tribe" or "LTBB" means the Little Traverse Bay Bands of Odawa Indians which as reaffirmed in Public Law 103-324 is recognized as eligible by the Secretary of the Interior for the special programs and services provided by the United States to Indians because of their status as a federally recognized tribe, and are recognized as possessing powers of self-government.

SECTION III. GAMING AUTHORIZED

A. **Class I Gaming** means social games solely for prizes of minimal value or traditional

forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations. Class I gaming, or a raffle authorized by the Tribe or State, is regulated by the Commission only when it occurs within Class II or Class III gaming facilities of the Tribe, including connected amenities, such as hotels, restaurants and parking lots at such site. Class I gaming that occurs away from such facilities is not regulated by the Commission.

B. **Class II Gaming** is hereby authorized and defined in the Indian Gaming Regulatory Act, ("IGRA") and by regulations lawfully promulgated by the National Indian Gaming Commission ("NIGC") that now or hereafter may be in effect.

C. **Class III Gaming** is hereby authorized and defined in IGRA and by regulations promulgated by the NIGC that now or hereafter may be in effect is hereby authorized, provided such gaming is also authorized by and consistent with a Tribal-State Compact that has been approved or deemed approved by the Secretary of the Interior and is in effect, or otherwise has been authorized by the Secretary of the Interior or federal law.

SECTION IV. OWNERSHIP OF GAMING

The Little Traverse Bay Bands of Odawa Indians shall have the sole proprietary interest in and responsibility for the conduct of any gaming facilities and/or enterprise operation authorized by this Statute.

SECTION V. USE OF GAMING REVENUE

A. Net revenues from tribal gaming shall be used only for the following purposes:

1. to fund tribal government operations and programs.

2. to provide for the general welfare of the Tribe and its Citizens.

3. to promote tribal economic development.

4. to donate to charitable organizations.

5. to help fund operations of local government agencies.

B. If the Tribe elects to make per capita payments to Tribal Citizens, it shall authorize such payments only in accordance with a plan submitted to and approved by the Secretary of the Interior.

C. The Tribe shall ensure that the interests of minors and other legally incompetent persons who are entitled to receive any per capita payments under a Tribal per capita payment plan are protected and preserved, and that the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for the health, education, or welfare or the minor or other legally incompetent person, under a plan approved by the Tribal Council and the Secretary of the Interior.

SECTION VI. GAMING REGULATORY COMMISSION

A. The Tribe hereby establishes a Tribal Gaming Regulatory Commission as an Executive Commission whose duty it is to regulate tribal gaming operations. The Commission shall consist of at least three (3) but not more than five (5) Tribal Citizens. There shall be among them a Chairperson, Vice-Chairperson, Secretary and Treasurer, provided the Secretary and Treasurer may be combined into one position.

B. The purpose of the Commission is to ensure compliance with Tribal, Federal, and, if applicable, State laws and regulations. The Commission will serve as the licensing authority for the gaming operation and individuals employed in the gaming operation and will administer background investigations as part of the licensing process. The Commission will monitor compliance with the internal control standards for the gaming operation and track revenues. In order to carry out its regulatory duties, the Commission shall have unrestricted access to all areas of the gaming operation and to all records. The Commission shall have authority to take enforcement actions, including suspension or revocation of an individual gaming license when

appropriate.

C. The Tribe recognizes the importance of an independent Commission in maintaining a well-regulated gaming operation. The Commission shall be and act independently and autonomously from the Tribal Council in all individual licensing decisions. No prior or subsequent review by the Tribal Council of any licensing and fining actions of the Commission shall be required or permitted except as otherwise explicitly provided in this Statute. To avoid potential conflicts of interest between the operation and regulation of the gaming facility, the Tribe hereby finds that, at a minimum:

1. No member of the Tribal Council may serve on the Commission.

2. No Tribal Gaming Board of Directors member may serve on the Commission.

3. No Tribal member directly related to or living with any Tribal Gaming Board of Directors member may serve on the Commission.

4. Members of the Commission and Gaming Board of Directors are prohibited from gambling in the facility.

5. The following persons are also ineligible to serve on the Commission: employees of the gaming operation, while serving as such; gaming contractors (including any principal of a management or other contracting company); persons directly related to or sharing a residence with any of the above.

D. The members of the Commission shall be appointed by the Tribal Council as follows:

1. Composition of the Commission. The Commission shall consist of three (3) to five (5) Tribal Citizens appointed by the Tribal Council and shall be licensed as primary management officials.

2. Term. Members of the Commission shall be appointed to serve for three (3) year terms. Terms shall be staggered so no more than two terms start in any one year.

Members may be reappointed for additional terms without limitation.

3. Subject to the availability of funding and a budget approved by the Tribal Council, members of the Commission may receive a stipend, mileage and expense reimbursement in accordance with a stipend policy adopted by the Tribal Council.

4. Future Appointments and oath of office shall be conducted in accordance with the Commissions, Committees and Boards Statute, WOS 2002-05, or such successor statute as Tribal Council may enact.

E. The Commission shall:

1. Conduct or cause background investigations to be conducted on primary management officials, key employees, non-key employees, and gaming related vendors

2. Review and approve all investigative work conducted.

3. Report results of background investigations to the National Indian Gaming Commission.

4. Obtain and process fingerprints, or utilize the Tribal Law Enforcement agency to obtain and process fingerprints.

5. Make suitability determinations, which shall be signed by a majority of the Commissioners present when the license is approved.

6. Issue gaming licenses to management officials and employees of the operation, consistent with the suitability determination.

7. Inspect, examine and monitor all gaming activities, and have immediate access to review, inspect, examine, photocopy and audit all gaming related records of the gaming establishment.

8. Ensure compliance with all Tribal, State, and Federal laws, rules, and regulations regarding Indian gaming.

9. Investigate any suspicion of wrongdoing associated with any gaming activities, and report any potential criminal violations to Tribal Law Enforcement.

10. Hold hearings on patron and/or employee complaints, in compliance with procedures established in this Statute and other Tribal gaming regulations.

11. Comply with any and all reporting requirements under the IGRA, Tribal-State compact to which the Tribe is a party, and any other applicable law.

12. Promulgate and issue regulations necessary to comply with the Tribe and the NIGC Minimum Internal Control Standards (MICS).

13. Review and approve gaming operation policies and procedures for compliance with Tribal Minimum Internal Control Standards (TMICS) and may require the development of specific policies for the implementation of regulations for the approval by the Commission.

14. Promulgate and issue regulations on the levying of fees associated with gaming license applications.

15. Promulgate and issue regulations on suspension or revocation of gaming licenses for violations of the gaming Statute, or any other Tribal, Federal, or State, if applicable, gaming regulations.

16. Issue citations for violations of the gaming Statute, or any other Tribal, Federal, or State, if applicable, gaming regulations.

17. Adopt a schedule of fines and/or forfeitures as a recommendation that may be imposed by the Court upon the receipt of an admission of guilt or plea of no contest for

violations committed. This schedule shall not apply as to penalties assessed by the court after adjudicating a violation where the defendant has entered a plea of not guilty.

18. Perform such other duties the Commission deems appropriate for the proper regulation of the Tribal gaming operation.

19. The Commission shall be authorized to employ such staff and/or consultants as reasonably may be required to fulfill its responsibilities under this Statute subject to personnel policies approved by Tribal Council.

G. The Commission shall ensure that all records and information obtained as a result of an employee background investigation shall remain confidential and shall not be disclosed to persons who are not directly involved in the licensing process.

1. Information obtained during the course of an employee background investigation may be disclosed to members of management, human resource personnel or others employed by the tribal gaming operation on a need-to-know basis for actions to be taken in their official capacity. This information must be public record and shall not include information from Federal Bureau of Investigation (FBI) records, Law Enforcement Information Network (LEIN) records, or disclose individuals interviewed during the background investigation.

2. This Section does not apply to requests for such information or records from any Tribal, Federal or State law enforcement or regulatory agency, or for the use of such information or records by the Commission in the performance of their official duties to the extent permitted under applicable law.

H. Removal. Members of the Commission can only be removed in accordance with standards and procedures set out in the Commissioner Removal and Nepotism Act (Waganakising Odawak Statute 2001-10), or such successor statute as the Tribal Council may enact.

I. A majority of the Commission shall constitute a quorum. The concurrence of a majority

of the members appointed to the Commission shall be required for any final determination by the Commission. The Commission may act in its official capacity even if there are vacancies on the Commission.

J. The Commission shall keep a written record of all its regularly scheduled, special, and emergency meetings, and licensing hearings and meetings.

K. All regulations promulgated under this Statute shall be submitted to Tribal Council for approval.

SECTION VII. GAMING PROHIBITIONS

A. No employee or member of the Gaming Regulatory Commission, employee or member of the Gaming Board of Directors shall be permitted to participate as a player in any game operated within the Facility.

B. With Tribal Council approval, gaming operations employees members of Tribal Council, Tribal Chair, Vice-Chair and members of the Judiciary may participate as a player in any game operated within the Facility shall have their license on them and assessable for review upon request by the Commission, management or security or other such designated individuals.

C. Gaming operations, members of Tribal Council, Tribal Chair, Vice-Chair and members of the Judiciary gaming activity shall be restricted by approved Regulations by Tribal Council.

D. Gaming Regulatory employees shall be barred from participating as a player in any game operated within the facility for a period of one (1) year after their employment terminates unless waiver is approved by the Commission.

E. Unless a different age is set by State Compact, no individual under nineteen (19) years of age may play any game in the Enterprise, nor shall any such person be allowed to loiter or remain in the immediate area in which any such game is being played, provided that individual

is not an employee of the enterprise.

F. No credit shall be extended by the Enterprise to any player. This prohibition shall not be construed, however, to prevent players or customers from utilizing bank cards, credit cards, and other forms of personal credit when the credit is guaranteed or extended by an independent financial institution.

SECTION VIII. ETHICS

The Tribe recognizes that the duties of the Commission include making important decisions on highly sensitive issues. As such, the Tribe has determined that the Commission shall be held to high ethical standards and shall adhere to the Constitutionally Mandated Rules of Conduct for Officials of Tribal Government that are approved by Tribal Council and any other subsequent Rules, as may apply.

SECTION IX. COMPLIMENTARY ITEMS FROM THE GAMING ENTERPRISE

A. The use of complimentary items shall be governed by regulations established by the Commission, which shall be in accord with the NIGC MICS, found at 25 C.F.R. § 542.17.

B. Employee, Primary Management Official, Tribal Council member, Tribal Chairperson, Vice-Chairperson, member of the Tribal Judiciary, member of the Gaming Board of Directors or the Commission, shall be authorized to receive complimentary items from the Tribe's gaming enterprise only if it is received as a member of the general public or as a Tribal Citizen. Employee, Primary Management Official, Tribal Council member, Tribal Chairperson, Vice-Chairperson, member of the Tribal Judiciary shall not receive any items associated with promotions, incentives and awards related to gaming activity.

SECTION X. AUDIT

A. Annual Audit. The Tribal Council shall appoint an independent auditor to conduct the annual financial statement audit and minimum internal control testing as required by The LTBB Gaming Regulatory Commission and Tribal Council shall receive a copy of the annual audit.

B. Internal Audit. The Commission may employ personnel to conduct the compliance function (internal audit) or the Commission may engage an independent audit firm with the approval of the Tribal Council.

C. All gaming related contracts that result in the purchase of supplies, services, or concessions in excess of $25,000.00 annually, shall be specifically included within the scope of the audit that is described in subsection A. above, except contracts for professional legal, financial and accounting services.

SECTION XI. ENVIRONMENT AND PUBLIC HEALTH AND SAFETY

Class II and Class III gaming facilities shall be constructed, maintained and operated in a manner that adequately protects the environment and the public health and safety. The Tribal Council may designate persons or entities other than the Commission to ensure compliance with non-gaming health and safety standards such as building codes, fire safety, etc.

SECTION XII. PATRON DISPUTE RESOLUTION

Patrons who have gaming related complaints against the gaming establishment, a gaming employee, or a management contractor may file a petition for relief with the Commission and the complaint shall be resolved in accordance with procedures adopted by the Commission.

SECTION XIII. LICENSING OF EMPLOYEES

A. The Commission shall ensure that the policies and procedures set out in this section are implemented with respect to key employees and primary management officials employed at any class II and/or Class III gaming enterprise. The Commission has the authority to set licensing standards and issue licenses to non-key employees of the enterprise. The application requirements and standards for issuance of non-key licenses will be set out in the regulations promulgated under this Statute and as approved by Tribal Council.

B. Application Forms

1. The following statement shall be placed on all key and primary management official license application forms:

a. "In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by federal regulations. The purpose of the requested information is to determine the eligibility of individuals to be granted a gaming license

b. The information will be used by Commission and the NIGC members and staff who have need for the information in the performance of their official duties

c. 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 NIGC in connection with the issuance, denial, or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation

d. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to license a person in a primary management official or key

employee position

e. The disclosure of Social Security Numbers (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing an application

2. The Commission shall notify in writing existing key employees and primary management officials who have not completed an application containing the notices set forth above that they shall either:

a. Complete a new application form that contains both the Privacy Act and false statement notices

b. Sign a statement that contains the Privacy Act and false statement notices and consent to the routine uses described in that notice

3. The following statement shall be placed on the application form for a key employee or a primary management official:

a. A false statement on any part of an application may be grounds for denying a license or the suspension or revocation of a license. Also, you may be punished by fine or imprisonment, or both.

C. License Fees

The Tribe may charge a license fee, to be set by the Commission and approved by the Tribal Council, to cover its expenses in investigating and licensing required under this Statute.

D. Background Investigations

1. The Commission shall perform background investigations and issue licenses for key employees and primary management officials according to requirements that are at least as stringent as those in federal regulations.

2. The Commission shall conduct an investigation sufficient to make a determination under Subsection G. below. In conducting a background investigation, the Commission shall keep confidential the identity of persons who provided information during the course of the investigation, i.e. former employers, personal references. The Commission may utilize the Tribe's Law Enforcement Department to take fingerprints and conduct criminal history checks. The criminal history check shall include a check of criminal history records information maintained by the Federal Bureau of Investigation and any other services as are available and appropriate.

E. Fingerprints

Each applicant for a Key Employee or Primary Management Official shall be required to have fingerprints taken as part of the license application procedure. Fingerprints shall be taken by the Commission or Tribal Law Enforcement. Fingerprints will then be forwarded to the NIGC for processing through the FBI and NIGC to determine the applicant's criminal history, if any.

F. Procedures for Conducting a Background Check on Applicants

1. As part of its review procedure, the Commission may employ or engage a private investigator to conduct a background investigation on each applicant sufficient to allow the Commission to make an eligibility determination under Subsection G. below. The investigator shall:

a. Verify the applicant's identity through items such as a Tribal identification card, social security card, driver's license, birth certificate, or passport

b. Contact each personal and business reference provided in the License Application

c. Obtain a personal credit check

d. Conduct a civil history check

e. Conduct a criminal history check via the submission of the applicant's fingerprints to the NIGC, and further obtain information from the appropriate court regarding past felony and/or misdemeanor convictions and criminal charges within the last ten years or longer if required under the Compact or any applicable law or regulation

f. Inquire into any previous or existing business relationships with the gaming industry and Indian tribes by contacting the entities or tribes

g. Verify the applicant's history and status with any licensing agency by contacting the agency

h. Take other appropriate steps to verify the accuracy of the information, focusing on problem areas noted

2. The investigator shall create an investigative report noting the steps taken, information gained, potential problem areas, and disqualifying information.

G. Eligibility Determination

The Commission shall review a person's prior activities , criminal record, if any, and reputation, habits and associations to determine if the applicant 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 or does not meet such other standards as approved by Tribal Council through Regulations, the Commission shall not license that person in a key employee or primary management official position. The application will include all charges and convictions as required to be disclosed under federal or Tribal law or regulations, or under the terms of a gaming compact that the Tribe is party to. However, the Commission will not consider records expunged or sealed by a Court of law.

H. Procedures for Forwarding Applications and Reports for Key Employees and Primary

Management Officials to the NIGC.

1. When a key employee or primary management official begins work at a gaming operation authorized by this Statute, the Commission shall forward to the NIGC a completed application for employment and conduct the background investigation and make the determination referred to in Subsection G. of this Section

2. The gaming operation shall not employ as a key employee or primary management official a person who after 90 days does not have a license

I. Report to the National Indian Gaming Commission

1. The Commission shall prepare and forward a report on each background investigation to the NIGC. An investigative report shall include all of the following:

a. Steps taken in conducting a background investigation

b. Results obtained

c. Conclusions reached

d. The bases for those conclusions

2. The Commission shall forward the completed investigative report to the NIGC within 60 days after an employee begins work or within 60 days of the approval of this Statute by the Chairman of the NIGC.

3. The Commission shall submit, with the investigative report, a copy of the eligibility determination, unless the NIGC shall have advised the Tribe that the submission of the eligibility determination is not necessary. This determination shall include a statement describing how the information submitted by the applicant was verified; a statement of results following an inquiry into the applicant's prior activities, criminal record, if any, and reputation, habits and associations; a statement showing the

results of interviews of a sufficient number of knowledgeable people (such as former employers, personal references, and others referred to by the applicant) in order to provide a basis for the Commission to make a finding concerning the eligibility for employment in a gaming operation; and a statement documenting the disposition of all potential problem areas noted and disqualifying information obtained.

4. If a license is not issued to an applicant, the Commission:

a. Shall notify the NIGC if required under federal law or regulation in effect at the time

b. Shall forward copies of its eligibility determination and investigative report (if any) to the NIGC for inclusion in the Indian Gaming Individuals Records System

5. With respect to all employees, and in particular key employees and primary management officials, the Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the NIGC or his or her designee for no less than three (3) years from the date of termination of employment.

J. Granting a Gaming License

1. If, within a thirty (30) day period after the NIGC receives a report, the NIGC notifies the Tribe that it has no objection to the issuance of a license pursuant to a license application filed by a key employee or a primary management official for whom the Tribe has provided an application and investigative report to the NIGC, the Commission, acting for the Tribe, may issue a license to such applicant.

2. The Commission shall respond to a request for additional information from the Chairman of the NIGC concerning a key employee or a primary management official who is the subject of a report. Such a request shall suspend the 30-day period under Subsection J. 1 of this section until the Chairman of the NIGC receives the additional

information.

3. If, within the thirty (30) day period described above, the NIGC provides the Tribe with a statement itemizing objections to the issuance of a license to a key employee or to a primary management official for whom the Commission has provided an application and investigative report to the NIGC, the Commission shall reconsider the application, taking into account the objections itemized by the NIGC. The Commission shall make the final decision whether to issue a license to such applicant.

K. License Suspension

1. If, after the issuance of a gaming license, the Commission receives from the NIGC, or other credible source, reliable information indicating that a key employee or a primary management official is not eligible for a license, the Commission shall suspend/revoke such license and shall notify in writing the licensee of the suspension and the proposed revocation.

2. If the licensee requests a hearing, the Commission shall notify the licensee of a time and a place for a hearing on the proposed revocation/suspension of a license.

3. After a revocation/suspension hearing, the Commission shall decide to revoke or to reinstate a gaming license. The Commission shall notify the NIGC of its decision.

SECTION XIV. APPELLATE REVIEW

Any Appeals of Regulatory decisions shall be decided by the Commission prior to being taken to the Tribal Court.

SECTION XV. ANNUAL FEES

A. National Indian Gaming Commission Fees

1. The LTBB Gaming Operation shall pay annual fees to the NIGC as established by the NIGC and published in the Federal Register.

2. The fee statement and fees shall be submitted to the NIGC no later than March 1st and August 1st of each calendar year.

3. The statement shall identify an individual or individuals to be contacted in the event that the NIGC needs further communication. Contact information shall be included.

4. The fees payable to the NIGC shall be determined in accordance with federal regulations.

SECTION XVI. LICENSES FOR NON-KEY EMPLOYEES.

A. All non-key employees must obtain and maintain in good standing a non-key license issued by the Commission in accordance with standards as set out in approved Regulations by Tribal Council.

B. A non-key employee cannot be promoted to a key employee position without first obtaining a key-employee license.

C. The application contents and procedures for a non-key license are the same as those for a license under Section XII, except information on non-key employees need not be sent to the NIGC or made available to the State of Michigan.

D. The standards of issuance, suspension and revocation of non-key licenses will be set out in the regulations approved by Tribal Council.

E. The following statement shall be placed on the application form for a non-key employee: "A false statement on any part of your application may be grounds for denying a

license or the suspension or revocation of a license. Also, you may be punished by fine or imprisonment, or both."

SECTION XVII. LICENSES FOR VENDORS

A. License Required. Vendors of gaming related services or supplies of $25,000 or more annually must have a vendor license from the Commission in order to transact business with the Tribal gaming operation. Contracts for professional legal, financing and accounting services are excluded from this section.

B. Submission of a Vendor License Application. In order to obtain a vendor license, the business must complete a vendor application and submit to background checks of itself and its principals. Principals of a business include its officers, directors, management, owners, and partners, non-institutional stockholders that either own 10% or more of the stock or are the 10 largest stockholders, and the on-site supervisor or manager under the agreement with the Tribe, if applicable.

C. Contents of the Vendor License Application.

1. Applications for vendor licenses must include the following:

a. Name of business, business address, business phone, federal tax ID number (or SSN if a sole proprietorship), main office address if different from business address, any other names the applicant has done business under, type of service applicant will provide

b. Whether the applicant is a partnership, corporation, limited liability company, sole proprietorship, or other entity

c. If the applicant is a corporation, the jurisdiction of incorporation, and the qualification to do business in the jurisdiction of LTBB or the State of Michigan

d. Trade name, other names ever used, names of any wholly owned subsidiaries or other businesses owned by the vendor or its principals

e. General description of the business and its activities

f. Whether the applicant will be investing in or loaning money to the gaming operation and, if so, how much

g. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses

h. A description of any existing and previous business relationships with Indian tribes, including ownership, financial, or management interests in non-gaming activities

i. Names, addresses, and phone numbers of three business references with whom the company had regularly done business within the last five years

j. The name and address of any licensing or regulatory agency with which the business has filed an application for a license or permit related to gaming, whether or not such license or permit was granted

k. If the business has ever had a license revoked for any reason, the circumstances involved

l. A list of lawsuits to which the business has been a defendant, including the name and address of the court involved, and the date and disposition if any

m. List the business' funding sources and any liabilities of $50,000 or more

n. A list of the principals of the business, their social security numbers, date of birth, addresses and telephone numbers, title, and percentage of ownership in the company, and all criminal convictions in the past 10 years

o. Any further information the Tribe deems relevant

2. The following statement shall be placed on the application form for a vendor and its principals: "Inclusion of false or misleading information in the vendor application, or any altercation of the vendor application form, may be grounds for denial or revocation of the vendor license."

D. Vendor Background Investigation

The Commission may employ or otherwise engage a private investigator to complete an investigation of the vendor. This investigation shall contain, at a minimum, the following steps:

1. Verify of the business' incorporation status and qualification to do business in the jurisdiction where the gaming operation is located.

2. Conduct a check of the business' credit history.

3. Call each of the business references listed in the vendor application, and verify gaming licenses.

4. Conduct an investigation of the principals of the business, including a criminal history check, a credit report, and interviews with the personal references listed

E. Vendor License Fee.

The Tribe may charge a license fee, to be set by the Commission and approved by the Tribal Council, to cover its expenses in investigating and licensing vendors of the gaming operation. LTBB Citizens will not be charged a vendor license fee.

F. The background investigator shall complete an investigative report covering each of the steps taken in the background investigation of the vendor and its principals.

SECTION XVIII. MINIMUM INTERNAL CONTROL STANDARDS

A. Little Traverse Bay Bands of Odawa Indians acknowledges its obligation to adopt and implement Tribal Minimum Internal Control Standards (MICS) for the operation of its Tribal gaming operation no less stringent than those found in the federal regulations. The Tribe's TMICS, or as amended, shall be set out in separate regulations to be reviewed and approved by the Tribal Council.

B. Violations of LTBB Tribal Minimum Internal Control Standards shall be reported to gaming operation management.

C. Gaming Operation Management shall be required to respond to TMICS violations stating corrective measures to be taken to avoid recurrence of the violation. Such management responses shall be included in the Final Internal Audit report that will be delivered to Tribal Chair, Tribal Council, LTBB Gaming Regulatory Commission, Gaming Board of Directors and Casino Management.

SECTION XIX. LICENSE LOCATIONS

The Commission shall issue a separate license to each place, facility, or location on Indian lands where class II and/or class III gaming is conducted under this Statute.

SECTION XX. AGENT FOR SERVICE OF PROCESS

The Little Traverse Bay Bands of Odawa Indians hereby designates LTBB Tribal Chair as agent for service of process, who may be contacted at:

7500 Odawa Circle
Harbor Springs, MI 49740

SECTION XXI. MANAGEMENT CONTRACTS PROHIBITED

Management contracts for management of LTBB gaming enterprises are prohibited by this Statute, even if such contracts would otherwise be allowable under the IGRA.

SECTION XXII. REGULATIONS

Any regulations promulgated or required in accordance with this Statute shall be submitted to Tribal Council for approval.

SECTION XXIII. SAVINGS CLAUSE

In the event that any phrase, provision, part, paragraph, subsection or section of this Statute is found by a court of competent jurisdiction to violate the Constitution, or laws of the Little Traverse Bay Bands of Odawa Indians, such phrase, provision, part, paragraph, subsection or section shall be considered to stand alone and to be deleted from this Statute, the entirety of the balance of the Statute to remain in full and binding force and effect.

SECTION XXIV. EFFECTIVE DATE

This Statute takes effect upon approval of the Chairman of the National Indian Gaming Commission, or when considered approved by operation of applicable Federal law and/or regulation.

CERTIFICATION

As the Tribal Council Legislative Leader and Tribal Council Secretary, we certify that this Statute was duly passed by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on October 10, 2010 at which a quorum was present, by a vote of 6 in favor, 1 opposed, 1 abstentions, and 1 absent as recorded by this roll call:

	In Favor	Opposed	Abstained	Absent
Marvin Mulholland	X			
Belinda Bardwell	X			
Melvin L. Kiogima	X			
Gerald V. Chingwa				
Rita Shananaquet				X
Aaron Otto		X		
John Bott			X	
Regina Gasco Bentley	X			
Julie Shananaquet	X			

Date: 10-13-10

Julie A. Shananaquet, Legislative Leader

Date: 10-11-10

Regina Gasco Bentley, Secretary

Received by the Executive Office on 10-14-10 by

Pursuant to Article VII, Section D, Subsection 1 of the Little Traverse Bay Bands of Odawa Indians Constitution adopted on February 1, 2005 the Executive concurs in this action of the Tribal Council.

Date: 10-19-10

Ken Harrington, Tribal Chairperson