

NATIONAL
INDIAN
GAMING
COMMISSION

SEP 28 1995

Delbert Havatone
Chairman
Hualapai Tribe
P.O. Box 179
Peach Springs, AZ 86434

Dear Chairman Havatone:

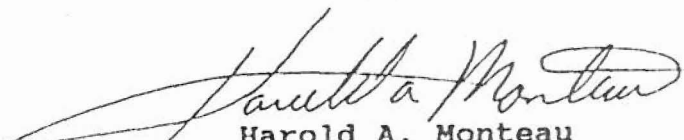
This letter responds to your request to review and approve the tribal gaming ordinance, Ordinance No. 29-93, as amended and adopted by Resolution No. 62-95, adopted on August 26, 1995, by the Hualapai Tribe (Tribe). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, such approval does not constitute approval of specific games. It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

With the Chairman's approval of the Tribe's gaming ordinance, the Tribe is now 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 before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. § 556.5(b).

Thank you for submitting the ordinance of the Hualapai Tribe for review and approval. The NIGC staff and I look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,



Harold A. Monteau
Chairman

cc: Jill E. Grant, Esq.

**ORDINANCE OF THE TRIBAL COUNCIL
HUALAPAI TRIBE
Ordinance No. 29-93**

Hualapai Tribe Gaming Ordinance

WHEREAS, the Hualapai Tribe is a federally recognized Indian tribe organized under a Revised Constitution adopted pursuant to the Indian Reorganization Act vesting all governmental powers in the Tribal Council; and

WHEREAS, Congress has enacted the Indian Gaming Regulatory Act of 1988, 25 U.S.C. § 2701 et seq. (Act), to regulate certain types of gaming on Indian lands; and

WHEREAS, the Tribal Council desires to regulate all gaming within its reservation and on all lands subject to the jurisdiction of the Tribe (Tribal lands) for the purpose of generating governmental revenue, promoting tribal economic development, tribal sufficiency, and a strong tribal government; and

WHEREAS, the Tribal Council has the right to regulate class I and II gaming as those terms are defined under the Act, on Tribal lands and may jointly regulate all class III gaming activities, as that term is defined in the Act, pursuant to a gaming compact with the state; and


WHEREAS, the Tribal Council finds that it is in the best interest of the Tribe to enact a gaming ordinance that authorizes and regulates all gaming on Tribal lands consistent with the Act and to authorize the Chairman to enter into a gaming compact with the State of Arizona for the purpose of conducting class III gaming on Tribal Lands subject to approval by the Tribal Council.

NOW THEREFORE BE IT ORDAINED by the Tribal Council of the Hualapai Tribe that effective on the date approved by the Secretary of the Interior or the Chairman of the National Indian Gaming Commission, the Hualapai Tribe hereby enacts the Hualapai Tribe Gaming Ordinance, attached hereto as Exhibit A.

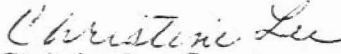
BE IT FURTHER ORDAINED that subject to Tribal Council approval of the compact, the Chairman of the Tribe is hereby authorized to enter into a gaming compact with the State of Arizona for the purpose of conducting class III gaming on Tribal Lands.

C E R T I F I C A T I O N

I, the undersigned as Chairman of the Hualapai Tribal Council hereby certify that the Hualapai Tribal is composed of nine (9) members of whom 9 constituting a quorum were present at a **REGULAR MEETING** thereof held on this **6th day of February 1993**; and that the foregoing resolution was duly adopted by a vote of 7 for 0 against, 2 not voting, and 0 absent, pursuant to authority of Article V, Section (a) of the Constitution of the Hualapai Tribe approved March 13, 1991.


Delbert Havatone, Chairman
Hualapai Tribal Council

ATTEST


Christine Lee, Secretary
Hualapai Tribal Council

HUALAPAI TRIBE GAMING ORDINANCE

Preamble The Hualapai Tribal Council has the right to regulate class I and II gaming activities, as those terms are defined in the Indian Gaming Regulatory Act, on Tribal lands and may jointly regulate all class III gaming activity, as that term is defined in the Act, pursuant to a gaming compact with the state. The Tribal Council finds that it is in the best interest of the Tribe to enact a gaming ordinance that authorizes and regulates all gaming on Tribal lands consistent with the Act.

SECTION 1. DEFINITIONS. For purposes of this ordinance:

- (a) "Act" means the Indian Gaming Regulatory Act, Pub.L. No. 100-497, 25 U.S.C. §§ 2701 et seq., and applicable regulations promulgated under the Act.
- (b) "Board" means the Hualapai Tribe Gaming Board established by this ordinance.
- (c) "Chairman" means the Chairman of the Hualapai Tribal Council.
- (d) "Chairman of the Board" means the Chairman of the Hualapai Tribe Gaming Board established by the ordinance.
- (e) "Class I gaming" means class I gaming as defined in the Act.
- (f) "Class II gaming" means class II gaming as defined in the Act.
- (g) "Class III gaming" means class III gaming as defined in the Act.
- (h) "Commission" means the National Indian Gaming Commission established under the Act.
- (i) "Compact" means any Tribal-State Gaming Compact between the Tribe and the State governing class III gaming.
- (j) "Council" means the Tribal Council, the governing body of the Hualapai Tribe.
- (k) "Electronic game of chance" means a microprocessor-controlled electronic device that allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a token, coin or currency, or by the use of a credit, and which awards game credits, cash, tokens, or replays, or a written statement of the player's accumulated credits, which written statements are redeemable for cash. Game play may be displayed by video facsimile or mechanical rotating reels whereby the software of the device predetermines the stop positions and the presence, or lack thereof, of a winning combination andy pay-out, if any.
- (l) "Gaming employee" means any natural person employed by a gaming operation or management contractor.

(m) "Gaming device" or "gaming equipment" means any equipment or mechanical, electromechanical, or electronic contrivance, component, or machine used remotely or directly in connection with gaming.

(n) "Gaming facility" means the building, or room in which class I, class II, or class III gaming is conducted on Tribal lands.

(o) "Gaming operation" means the enterprise owned by the Tribe for the conduct of the gaming in any gaming facility on Tribal lands.

(p) "Gaming services" means the providing of any goods, services or concessions by contract to the Tribe gaming operation, or management contractor in connection with the operation of gaming in a gaming facility in an amount in excess of \$10,000 monthly, except for professional, legal or accounting services. No contract may be broken up into parts for the purpose of avoiding this definition and any requirement of licensure or certification.

(q) "Management contractor" means any management company engaged by the Tribe to assist in the management or operation of any gaming operation.

(r) "Net revenues" means gross revenues of gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, but excluding management fees paid to a management contractor.

(s) "Ordinance" means this Hualapai Tribe Gaming Ordinance.

(t) "Person" means any individual, partnership, corporation, company or other legal entity.

(u) "Secretary" means the Secretary of the Interior or his duly authorized representative.

(v) "State" means the State of Arizona, its authorized officials, agents and representatives.

(w) "Tribe" means the Hualapai Tribe, a federally recognized Indian tribe, its authorized officials, agents and representatives.

(x) "Tribal lands" means all lands within the exterior boundaries of the Hualapai Reservation and any lands title to which is either held in trust by the United States for the benefit of the Tribe or Tribal members or held by the Tribe or Tribal members in fee or subject to restriction by the United States against alienation and over which the Tribe exercises governmental power.

SECTION 2. PURPOSE. The purpose of this ordinance is to provide for the regulation of all gaming on Tribal lands to protect the public interest in the integrity of all gaming, to prevent improper or unlawful conduct in gaming, to strengthen tribal self-government, and to promote tribal economic self-sufficiency.

SECTION 3. NATURE AND SCOPE OF GAMING ACTIVITIES.

(a) Authorized gaming activities. A gaming operation may operate in its gaming facilities any and all forms of class I and class II gaming and, subject to the provisions of a compact, any and all forms of class III gaming on Tribal lands.

(b) Forms of payment. All payment for wagers made in gaming conducted by the gaming operation shall be made by cash, chips, or tokens. The gaming operation shall not extend credit. Chips or tokens may be purchased using cash or checks.

(c) Wagering limitations. The Board may set by regulation the maximum wager for class III gaming.

(d) Hours of operation. A gaming operation may operate its gaming activities on the hours and days approved by the Board.

(e) Prohibition on minors. No person under the age of 18 shall participate in any gaming; however, minors may be employed in food, beverage (non-alcoholic), maintenance and service of a gaming operation.

SECTION 4. COMPLIANCE WITH THE ACT. This ordinance shall be construed in a manner that conforms to the Act in all respects, and, if inconsistent with the Act in any manner, the provisions of the Act shall govern.

(a) Proprietary interest. The Tribe shall have the sole proprietary interest in and responsibility for the conduct of any gaming on Tribal lands; however, nothing herein shall prevent the Tribe from entering into a management contract for the operation and management of any gaming activity.

(b) Use of net revenues. Net revenues from any gaming shall be used for the following purposes:

- (1) to fund tribal government operations or programs;
- (2) to provide for the general welfare of the Tribe and its members;
- (3) to promote tribal economic development;
- (4) to donate to charitable organizations;
- (5) to help fund operations of local government agencies; or,
- (6) any other purposes permitted under the Act.

(c) Annual audit. Any gaming operation shall be subject to an annual audit by independent certified public accountants. Copies of the annual audit shall be sent to the Commission. 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 gaming shall be subject to the annual audit.

(d) Public safety standards. All gaming facilities shall be constructed and maintained in a manner that adequately protects the environment and the public health.

and safety and complies with all applicable health, safety and environmental standards enacted by the Tribe.

(e) Licensing and background investigations.

(1) Licensing Requirements.

(A) Gaming operation and facility. Each gaming operation and facility shall be licensed by the Board.

(B) Gaming employees. All gaming employees shall be licensed by the Board and subject to background investigations.

(C) Management contractors. All management contractors, including its principals, shareholders, officers, directors and key employees, shall be licensed by the Board and subject to background investigations.

(D) Gaming devices and equipment. Each gaming device and all gaming equipment shall be licensed by the Board and shall be inspected and certified for proper operation at least annually by an inspector approved by the Board.

(E) Sales of gaming devices, equipment or services. Any person proposing to sell or lease any gaming device or equipment or gaming services to the gaming operation shall be licensed by the Board and subject to background investigations before selling or leasing any gaming services to any gaming operation or facility, or management contractor.

(2) Licensing procedures.

(A) Applications for licenses. Each applicant for a license shall submit a completed application and any other information required by the Board. Each application shall be accompanied by the applicant's (or shareholders, officers and directors of a corporate applicant) fingerprint card, two current photographs, and any fees required by the Board. Each applicant shall be required to sign and submit a statement in compliance with the Federal Privacy Act of 1974 and to submit a statement or notice regarding false statements as required by the Act.

(B) Background investigations of applicants. Upon receipt of a completed application and the fees required for the license, the Board shall conduct the necessary background investigation unless otherwise required by the Act to ensure the applicant is qualified for a license. Upon completion of the necessary background investigation, the Board shall either issue a license to the applicant with a copy to the Commission, or deny the application. If the application is denied, a statement setting forth the grounds for denial shall be sent to the applicant with a copy to the Commission.

(C) Duration and renewal of tribal licenses. Any license with regard to a management company or gaming employee shall be effective for one year from the date of issuance. Any license for a management contractor shall be renewed automatically each year during the term of the management agreement unless the Board determines that the management contractor is in violation of this Ordinance or applicable federal law. An applicant for renewal who has submitted the required application and any other information required by the Board at least sixty (60) days before the expiration of

his license may continue to be employed under the expired license or until final action is taken on the renewal application by the Board or, if required by the Act, the Commission. Applicants for renewal of licenses shall provide updated material and information as requested on the appropriate renewal forms, but shall not be required to resubmit historical data already provided or otherwise is available to the Board.

(D) Identification cards. The Board shall require all gaming employees to wear identification cards issued by the Board which shall include the employee's photograph, first and last name, employee number, signature, and a date of expiration.

(E) Fees for licensing. The fees for gaming licenses and background investigations shall be set by the Board from time to time and made available at any time upon request. If the actual costs incurred by the Board for a background investigation exceed the amount deposited by the applicant, those costs may be assessed to the applicant in the discretion of the Board. In such cases, the Board shall submit a detailed billing of the costs and an explanation as to why the excess costs were incurred. Payment in full of any required fee is required before a license is issued.

SECTION 5. STANDARDS OF OPERATION AND MANAGEMENT.

(a) Class III gaming. The technical standards of operation and management for Class III gaming shall be those as adopted in accordance with a compact.

(b) Class I and class II gaming. The Board may adopt standards of operation and management for class I and class II gaming, and pending such adoption, may direct the gaming operation to comply with the standards as the Board may determine necessary to protect the integrity of class I and class II gaming.

SECTION 6. EXEMPTIONS.

(a) Charitable, Traditional, and Social Gaming. Any organization of the Tribe may engage in the following forms of gaming without compliance with this Ordinance only if the gaming activity engaged in is solely for prizes of minimal value and for recognized charitable, traditional, and social purposes:

- (1) bingo;
- (2) social games;
- (3) raffles or drawings;
- (4) sports or gambling pools; or

(5) traditional forms of gaming when played by Tribal members in connection with Tribal ceremonies or celebrations.

(b) Prize Limits. For purposes of this section, "prizes of minimal value" shall mean any gaming in which the aggregate amount of all prizes awarded or given in a single gathering or session is no greater than that allowed under the laws of the state of Arizona.

(c) Board Authority. The Board shall have authority to grant exemptions, investigate any gaming exempted by this Ordinance, to take measures to ensure the integrity of any gaming or otherwise, to determine whether such gaming is in violation of this Ordinance, and to enforce the provisions of this Ordinance.

SECTION 7. MANAGEMENT CONTRACTS.

(a) Requirement for review and appeal. A gaming operation may enter into a management contract with a management contractor for the management of a gaming operation and facilities subject to approval of the Council and Secretary or Commission.

(b) Required provisions.

(1) Governmental authority. All gaming covered by a management contract shall be conducted in accordance with this ordinance and the Act.

(2) Responsibilities. The management contract shall identify the responsibilities of each party for each identifiable function as set forth in the Act.

(3) Accounting. The management contract shall provide for the establishment and maintenance of satisfactory accounting systems and procedures that shall include an adequate system of internal accounting controls and permit the preparation of financial statements in accordance with generally accepted accounting principles.

(4) Reports. A management contractor at its own cost and expense shall provide a monthly verifiable financial report to the Tribe, Board, and if required by the Act, the Secretary and/or Commission.

(5) Access. A management contractor shall allow immediate access to the gaming operation and facilities, including its books and records, to authorized officials of the Tribe, Board, Secretary or Commission, who shall have the right to verify the daily gross revenues and income from any gaming activity and access to any other gaming-related information that the Tribe, Board, Secretary or Commission deems appropriate.

(6) Guaranteed minimum payment. All management contracts shall provide for a minimum guaranteed monthly payment in a sum certain to the gaming operation that has preference over the retirement of any development and construction costs.

(7) Development and construction costs. All management contracts shall provide for an agreed upon maximum dollar amount per month of revenues for the recoupment of development and construction costs.

(8) Term. No management contract shall be for a term exceeding five (5) years unless upon request of the Board, the Commission authorizes a longer contract term in which event the term shall not exceed seven (7) years.

(9) Compensation. All management contracts shall provide that not more than thirty percent (30%) of the net revenues of a gaming operation shall be paid to the management contractor unless a higher percentage, not to exceed forty percent (40%) is authorized by the Secretary or Commission pursuant to the Act. The balance

of the net revenues shall be paid to the Treasurer of the Tribe or tribal operation as set forth in the management contract.

(10) Termination; disputes. All management contracts shall provide grounds and mechanisms for modifying or terminating the management contract and include a mechanism to resolve disputes between the gaming operation and management contractor, the management contractor and customers, and management contractor and gaming employees.

(11) Assignments and subcontracting. All management contracts shall indicate that assignment of rights under a management contract and subcontracting are not permitted unless authorized by the Board.

(12) Ownership interest. All changes in the ownership interest in a management contractor shall require advance approval of the Board.

(13) Prohibited provisions. A management contract shall not transfer or convey any interest in Tribal lands unless authorized by federal law.

SECTION 8. TRIBAL GAMING BOARD.

(a) Establishment of the Board, appointment; term. There is hereby established a Board consisting of three members who shall be appointed by the Chairman with the approval of the Council to serve on a part-time basis for a term of three years commencing on the date of their appointment.

(b) Compensation. The compensation of members of the Board shall be established by the Council.

(c) Removal. The Council by a majority vote may remove any Board member for any reason at any time with or without cause.

(d) Vacancies. The Chairman with the approval of the Council may by appointment fill any vacancies in the Board.

(e) Powers and duties of the Board. The Board shall have the following powers and duties:

(1) Oversight of Gaming Operation; Inspectors. The Board shall have primary responsibility for oversight to assure the integrity of the gaming operation and shall, or for that purpose, employ inspectors who shall be under the sole supervision of the Board and not under the supervision of any management contractors or gaming operation. The inspectors shall have access to all areas of the gaming facilities at all times. The inspectors shall report to the Board regarding any failure by the gaming operation or management contractor to comply with any of the provisions of this ordinance and any other applicable laws. All inspectors shall be licensed by the Board and subject to background investigations.

(2) Investigations; subpoena. The Board may on its own initiative investigate any aspect of the gaming operation to protect the public interest in the integrity of the gaming activities and to prevent improper or unlawful conduct in the course of any gaming activities. The Board may require the gaming operation or any management

contractor to take any appropriate action deemed necessary to comply with the ordinance, Act, or other applicable law. The Board may compel any person to appear before it and to provide such information, documents or other materials as may be in their possession to assist in any such investigation.

(3) Public safety. The Board shall ensure that the gaming operation or management contractor shall prepare and submit for review and approval of the Board a satisfactory plan for the protection of the public in the gaming facilities.

(4) Review of plans. The Board shall review and approve floor plans and surveillance systems for each gaming facility and may confer with other organizations regarding the adequacy of such plans and systems.

(5) Regulations. The Board may promulgate regulations to govern the operation and management of the gaming activity.

(6) Licenses. The Board may issue, suspend and revoke licenses in accordance with this ordinance.

(7) Standards. The Board shall promulgate, review, and revise the technical standards and rules of each game operated by the gaming operation or management contractor and shall notify the gaming operation and management contractor of the rules and of any change to the rules.

(8) Health and safety standards. The Board shall enforce the health and safety standards applicable to the gaming facilities in accordance with this ordinance. Before the opening of any gaming facility for gaming activity, the gaming operation or management contractor shall obtain a certificate of compliance from the Board relating to the gaming facilities. The Board shall issue a certificate of compliance to the gaming operation upon a determination that the gaming facilities comply with applicable health and safety standards.

(9) Penalties and subpoenas. The Board shall be empowered to impose penalties for violations of this ordinance and issue subpoenas in furtherance of its duties.

(10) Civil and criminal actions. The Board may in the name of the Tribe bring any civil action or criminal complaint in the courts of the Tribe, the State or the United States to enforce the provisions of this ordinance, the Act or any Compact, or to enjoin or otherwise prevent any violation of this ordinance, the Act or a applicable law, occurring on Tribal lands.

(11) Budget. The Board shall adopt an annual operating budget which shall be subject to the approval of the Council and may in accordance with the budget employ a staff as it deems necessary to fulfill its responsibilities under this ordinance, and may retain legal counsel, consultants and other professional services, including investigative services, to assist the Board with respect to any of the issues over which the Board exercises jurisdiction. The expenses of the Board in accordance with such budget shall be appropriated by the Council from the net revenues paid to the Tribe.

(12) Orders; review by Tribal Court. The Board may issue an order or decision which the Board has the power to issue, to the gaming operation, any gaming employee, or management contractor, or to any other person within the jurisdiction of

the Tribe, to take any action or cease and desist from any action as may be required to protect to the public interest in gaming. Any final order or decision of the Board shall be subject to review by the Tribal Court, which decision shall be final.

(f) Hearings. The Board may conduct any hearing, investigation or inquiry, compel the production of any information or documents, and otherwise exercise the investigatory powers necessary to carry out the duties assigned under this ordinance.

(g) Director. The Board may appoint and retain an individual to serve as Director of the Board to administer and enforce its responsibilities as necessary to oversee inspectors appointed by the Board and other staff as the Board may employ, conduct hearings, investigations, and otherwise act on behalf of the Board as authorized by the Board. The Director shall be responsible for coordination of the functions of the Board and other federal, state, and local agencies as necessary.

(h) Procedures of the Board

(1) Regular meetings. Regular meetings of the Board may be held upon such notice, or without notice, and at such time and place as shall from time to time be fixed by the Board. Unless otherwise specified by the Board, no notice of such regular meetings shall be necessary.

(2) Special meetings. Special meetings of the Board may be called by the Chairman of the Board or may be held by teleconference or by polling. The Chairman of the Board shall fix the time and place of the special meeting. Neither the business to be transacted at, nor the purposes of, any regular or special meeting of the Board need to be specified in the notice of the meeting.

(3) Quorum. At any meeting of the Board, a majority of the Board members shall constitute a quorum for the transaction of business. The vote of a majority of the members present at a meeting at which a quorum is present shall be the act of the Board. The Chairman of the Board shall preside at all meetings of the Board unless the Chairman of the Board designates another member to preside in his absence. Approval of action telephonically or by polling is also authorized.

(4) Notice of Board action. No action of the Board to impose a penalty pursuant to this ordinance, or to revoke a license for a gaming employee previously issued by the Board, shall be valid unless the person affected is given at least seven (7) calendar days' notice of the proposed action and the opportunity to appear and to be heard before the Board, either in person or through a representative or legal counsel, and to submit such evidence as the Board deems relevant to the matter at issue. No notice is necessary to suspend a license but a revocation hearing must be held within nine (9) days or the suspension shall be discharged automatically.

(5) Hearings. If the Board deems it necessary to protect the public interest in the integrity of the gaming activities, the Board may take such action with immediate effect as it deems required, and shall thereupon provide notice and an opportunity to be heard to the affected person as soon as is reasonably practicable following such action. Any person who is denied a gaming employee license or who is barred from the gaming facilities by action of the Board may request a hearing before the Board by written request submitted within thirty (30) days following receipt of notice of the action of the Board, and the Board shall thereupon afford an opportunity to appear

and be heard before the Board, either in person or through a representative or legal counsel, and to submit such evidence as the Board deems relevant to the matter at issue and thereafter the Board shall either affirm or reconsider its decision. Any hearing conducted may at the direction of the Board be conducted by the Director or by one or more members of the Board designated by the Board for that purpose.

(6) Rules and procedures. The Board may adopt such additional procedures and rules as it deems necessary or convenient to govern its affairs and which are consistent with this ordinance.

SECTION 9. PROHIBITED ACTS.

It shall be a violation of this ordinance for any person to:

(a) Conduct or participate in any gambling on Tribal lands other than at authorized and licensed gaming facilities.

(b) Receive, distribute, apply or divert any property, funds, proceeds, or other assets of the gaming operation to the benefit of any person except as authorized by this ordinance, a compact, or the Act.

(c) Tamper with any gaming device or equipment used in the conduct of any gaming operations with the intent to cause any person to win or lose any wager other than in accordance with the publicly-announced rules of the gaming operations.

(d) Do any other act in connection with the conduct of any gaming operation with the intent to affect the outcome of any wager other than in accordance with the publicly-announced rules of such gaming operation.

(e) To alter or misrepresent the outcome of other event on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(f) To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome.

(g) To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gaming device or equipment, with intent to defraud, without having made a wager thereon, or to claim, collect or take an amount greater than the amount won.

(h) To place or increase a wager or bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.

(i) To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets.

(j) To manipulate, with the intent to cheat, any component of an electronic game of chance or gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to manipulating a gaming device, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.

(k) Knowingly to use other than coins or tokens approved by the Board or other lawful coin, legal tender of the United States of America, or to use a coin not of the same denomination as the coin intended to be used in the gaming device.

(l) To possess, with the intent to use, any device to assist in projecting the outcome of the game, in keeping track of the cards played, in analyzing the probability of the occurrence of an event relating to the game, or in analyzing the strategy for playing or betting to be used in the game.

(m) To use any device or means to cheat, or to possess any such device while at the gaming facility.

(n) Knowingly to entice or induce another to go to any place where gaming is being conducted or operated in violation of the provisions of this ordinance, the Act, a compact, or other applicable law and regulation with the intent that the other person play or participate in that gaming.

SECTION 10. PENALTIES. Any person who violates any provision of this ordinance shall be subject to civil penalties, termination of employment by the gaming operation, denial or revocation of a license, exclusion from attendance at any gaming facility, or exclusion from Tribal lands if a non-member of the Tribe. The Board may impose a fine of not more than \$500.00 for each violation. The Board shall have the jurisdiction to impose any penalties on any person within the jurisdiction of the Tribe.

SECTION 11. SEVERABILITY. In the event any section or provision of this ordinance or its application to any particular activity is held to be invalid, the remaining sections and provisions of this ordinance and the remaining applications of such section or provision shall continue in full force and effect.

SECTION 12. SOVEREIGN IMMUNITY. The Tribe does not in any way waive its sovereign immunity from suit in any court to contest the validity of this ordinance. However, decisions of the Board may be appealed to and shall be subject to final appellate review only in the Tribal Court. No decision of the Board shall be reversed unless the Tribal Court finds that the action taken was arbitrary, capricious or not in accordance with the law.

SECTION 13. AMENDMENTS. This ordinance may be amended by majority vote of the Council.

**HUALAPAI TRIBAL COUNCIL
RESOLUTION NO. 62-95
OF THE GOVERNING BODY OF THE
HUALAPAI TRIBE OF THE HUALAPAI RESERVATION**

(Amending Hualapai Tribe Gaming Ordinance)

WHEREAS, the Hualapai Tribe submitted Hualapai Tribe Gaming Ordinance No. 29-93 ("Ordinance No. 29-93") for review and approval by the National Indian Gaming Commission ("NIGC"), pursuant to the Indian Gaming Regulatory Act of 1988, 25 U.S.C. § 2701-2721 and 18 U.S.C. §§ 1166-1168 ("IGRA"); and

WHEREAS, the NIGC disapproved Ordinance No. 29-93 based on the following three deficiencies:

1. Ordinance No. 29-93 failed to include an adequate description of procedures for conducting background investigations on key employees and primary management officials pursuant to 25 C.F.R. § 522.2(b); and
2. Ordinance No. 29-93 failed to provide that the Tribe will perform background investigations and issue licenses to key employees and primary management officials according to the requirements as stringent as those contained in 25 C.F.R. Parts 556 and 558, pursuant to 25 C.F.R. § 522.2(b)(5); and
3. Ordinance No. 29-93 improperly, at § 6(a), exempted class II charitable gaming from regulations; and

WHEREAS, the Hualapai Gaming Board has recommended to the Tribal Council that it adopt the Amendment to Hualapai Tribe Gaming Ordinance No. 29-93, attached hereto as Exhibit A, to correct the above-described deficiencies; and

WHEREAS, the Tribal Council finds that it is in the best interest of the Hualapai Tribe to adopt Exhibit A, Amendment to Hualapai Tribe Gaming Ordinance No. 29-93, and to authorize the Chairman of the Tribal Council to submit the amended Ordinance No. 29-93 and any other submissions to comply with the IGRA.

NOW THEREFORE BE IT RESOLVED, by the Tribal Council that Exhibit A, Amendment to Amendment to Hualapai Tribe Gaming Ordinance No. 29-93, amending Section 4(e) and Section 6, is hereby adopted and the Ordinance No. 29-93 is amended as set forth therein.

BE IT FURTHER RESOLVED that the Chairman of the Hualapai Tribal Council is hereby authorized to submit the amended Ordinance No. 29-93 for review and approval by the NIGC and any other submissions to comply with the IGRA and to do all things necessary and proper to carry out the intent of this Ordinance.

C E R T I F I C A T I O N

I, the undersigned as Chairman of the Hualapai Tribal Council hereby certify that the Hualapai Tribal is composed of nine (9) members of whom 8 constituting a quorum were present at a **SPECIAL MEETING** thereof held on this **26th day of August 1995**; and that the foregoing resolution was duly adopted by a vote of 8 for 0 against, 0 not voting, and 1 excused, pursuant to authority of Article V, Section (a) of the Constitution of the Hualapai Tribe approved March 13, 1991.

Louise Benson

Louise Benson, Vice Chairperson
Hualapai Tribal Council

ATTEST

Christine Lee

Christine Lee, Secretary
Hualapai Tribal Council

SEP 18 1995

EXHIBIT A

AMENDMENT TO HUALAPAI TRIBE GAMING ORDINANCE NO. 29-93

The Hualapai Tribe Gaming Ordinance No. 29-93 is hereby amended as follows:

1. Section 4(e) of Ordinance No. 29-93 is amended by deleting the existing language and replacing it with the following new Section 5, "Licensing", and Section 6, "Background Investigations,":

SECTION 5. LICENSING.

(a) Gaming License Requirements. Unless a Compact shall allocate responsibility to an entity other than the Board, the licensing authority for class II gaming and class III gaming shall be the Board.

(1) Key Employees and Primary Management Officials. The Board shall license each primary management official and key employee of a gaming operation.

(2) Gaming Employees. The Board shall license each gaming employee.

(3) Gaming Facility. The Board shall license each gaming facility.

(4) Management Contractor. Pursuant to the Act, the Commission shall license a management contractor and any person having a direct or indirect financial interest in a management contract.

(5) Gaming Device and Gaming Equipment. The Board shall license each electronic game of chance, gaming device and gaming equipment.

(6) Gaming-Related Contractors. The Board shall license each person proposing to enter into a gaming-related contract.

(7) Other Persons. The Board may license such other persons as it deems necessary to carry out the purposes of this Ordinance.

(b) Applications for Gaming Licenses.

(1) An applicant applying for a license shall provide all the information required by Section 6(b) of this Ordinance and the Act on an application form adopted by the Board for that purpose. The applicant shall pay any license fees required by the Board and the Commission.

(A) The Board shall require each applicant to sign and submit a Privacy Act notice on an application form as required by the Act ("Privacy Act 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 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.

(B) The Board shall require each applicant to sign and submit a notice regarding false statements on an application form as required by the Act ("False Statements Notice"):

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.

(C) The Board shall notify in writing each person, who is required to be licensed pursuant to Section 5(a) of this Ordinance, but who has not signed and submitted an application form containing the Privacy Act Notice and False Statements Notice, to either complete a new application form that contains the Privacy Act Notice and False Statements Notice or sign a statement that contains the False Statements Notice and Privacy Act Notice.

(2) On its application, a gaming operation or management contractor shall designate an agent to accept service on its behalf of any official determination, order or notice of violation that may be served by the Board or Commission pursuant to the Act.

(c) Granting a Gaming License.

(1) If the Commission notifies the Board that it has no objection to the issuance of a license to a key employee or primary management official, the Board may issue a license to such applicant.

- (2) If the Commission provides the Board with a statement itemizing objections to the issuance of a license to a key employee or primary management official, the Board shall reconsider the application by taking into account the objections itemized by the Commission. The Board shall make the final decision whether to issue a license to such applicant.
- (d) Suspension and Revocation of Gaming License.
- (1) If, after the issuance of a license, the Board obtains reliable information from the Commission or other source indicting that a licensee is not eligible for a license under the standard set forth in Section 6(h) of this Ordinance, the Board shall suspend the license and shall notify the licensee in writing of the suspension and the proposed revocation of the license.
- (2) The Board shall also notify the licensee of the time and place for a hearing on the proposed revocation of the license.
- (3) After the revocation hearing, the Board shall decide to revoke or to reinstate the license. The decision shall be final and not subject to further appeal. The Board shall notify the Commission of its decision.
- (e) Duration and Renewal of Licenses. Any license issued by the Board shall be effective for one year from the date of issuance. Any license for a management contractor shall be renewed automatically each year during the term of the management contract unless the Board determines that the management contractor is in violation of applicable law. A licensee who has submitted the required application for renewal and any other information required by the Board at least 30 days before the expiration of his license may continue to be employed under the expired license or until final action is taken on the renewal application by the Board or, if required by the Act, the Commission. Such licensee shall provide updated material and information as requested on the appropriate renewal application, but shall not be required to resubmit historical data already provided or otherwise available to the Board.
- (f) Identification Cards. The Board shall require all employees of a gaming operation or management contractor to wear identification cards issued by the Board which shall include such employee's photograph, first and last name, employee number, signature, and a date of expiration.
- (g) Fees for Licenses. The fees for licenses shall be set by the Board. Payment in full of any required fee is required before a license is issued.

SECTION 6. BACKGROUND INVESTIGATIONS

(a) Board Authority. Unless a Compact shall allocate sole jurisdiction to an entity other than the Board with respect to background investigations, the Board shall conduct a background investigation of each person required to be licensed pursuant to Section 5(a) of this Ordinance according to standards at least as stringent as set forth in the Act.

(b) Required Information. Each person required to be licensed pursuant to Section 5(a) of this Ordinance shall provide to the Board the following information on an application form for that purpose:

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

(2) Currently and for the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;

(3) The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence, listed under Section 6(b)(2) of this Ordinance;

(4) Current business and residence telephone numbers;

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

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

(7) The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;

(8) For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition, if any;

(9) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), within 10 years of the date

of the application, the name and address of the court involved and the date and disposition;

(10) For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed pursuant to Section 6(b)(8) or (9) of this Ordinance, the criminal charge, the name and address of the court involved, and the date and disposition;

(11) The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;

(12) A current photograph;

(13) Any other information the Board deems relevant; and

(14) Fingerprints consistent with the procedures set forth in this Ordinance.

(c) Release Form. The Board shall obtain from each applicant a release form signed by the applicant authorizing the Board and Commission to obtain any information related to the applicant's activities, including schools, property interests (real and personal), employment, criminal justice agencies, regulatory agencies, businesses, financial institutions, lending institutions, medical institutions, hospitals, and health care professionals.

(d) Procedures for Conducting Background Investigations. The Board shall conduct a background investigation of each person required to be licensed pursuant to Section 5(a) of this Ordinance sufficient to enable the Board to make a determination of suitability pursuant to Section 6(h) of this Ordinance ("Suitability Determination").

(1) An applicant for a license shall provide to the Board all the information required pursuant to Section 6(b) of this Ordinance and copies of the applicant's birth certificate, social security card, driver's license, passport and other documents deemed necessary by the Board to conduct a background investigation of the applicant.

(2) The Board shall confirm, verify, and investigate the information provided by the applicant and obtain any additional information pursuant to the signed release form. In conducting a background investigation, the Board shall keep confidential the identity of each person interviewed in the course of the background investigation.

(3) Once the Board has satisfied itself of the accuracy of the information provided by the applicant and other information obtained pursuant to a signed release form, the Board shall analyze such information to make the Suitability Determination. The Board may conduct any further background investigation should the circumstances warrant.

(e) Fingerprint Check.

(1) The chairman of the Board is authorized to negotiate and enter into an agreement with the Commission or the State or federal law enforcement agency for the purpose of processing fingerprint cards to obtain criminal history record information ("CHRI") of persons required to be licensed pursuant to Section 5(a) of this Ordinance.

(2) The Hualapai Tribe Police Department is hereby designated as the law enforcement agency responsible for taking fingerprints of applicants for licenses. The chairman of the Board is also authorized to negotiate and enter into an agreement with the State or federal law enforcement agency to take such fingerprints. Such law enforcement agency shall designate an individual for the purpose of communicating with the Board and the Commission regarding the taking of the fingerprints.

(3) The Board shall impose a fee sufficient to cover the cost of processing the fingerprint cards.

(f) Procedure for Processing Fingerprint Cards.

(1) Upon receipt of a completed application for a license and the payment of any required fees, the Board shall direct the applicant to the law enforcement agency authorized to take fingerprints. The law enforcement agency shall take the applicant's fingerprints on cards provided by the Commission for that purpose. The fingerprint cards shall be printed by a certified print technician and shall be of a quality as to be classifiable. The fingerprint cards shall be signed by the person taking the prints and the applicant. After taking the applicant's fingerprints, the law enforcement agency shall forward the fingerprint cards directly to the Commission for an FBI fingerprint check.

(2) The Board shall also send to the Commission a check in an amount sufficient to cover the cost of processing each applicant's fingerprint card and a list containing the following information:

(A) The names of each applicant whose fingerprint cards will be sent to the Commission by the law enforcement agency.

- (B) The social security number for each applicant;
- (C) The date of birth of each applicant; and
- (D) The name of the law enforcement agency taking the fingerprints.

(g) Criminal History Record Information. The Board may use the CHRI for the purpose of making a Suitability Determination and any other lawful purpose permitted by an agreement with the Commission or the State or federal law enforcement agency. The Board shall abide by all conditions or limitations imposed by such agreement on the release, dissemination or use of the CHRI. The Board shall further ensure that the CHRI is restricted to the personnel directly involved in the licensing deliberations. The Board shall maintain records of the identities of all personnel receiving access to the CHRI and shall furnish such records to the Commission upon request.

(h) Suitability Determination. The Board shall review an applicant's prior activities, criminal record, if any, reputation, habits and associations to make a finding for submission to the Commission concerning the eligibility of the applicant for a license. The Board shall not issue a license to, nor shall a gaming operation or management contractor employ, any person whom the Board determines poses a threat to the public interest or to the effective regulation of any gaming activity or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of any gaming activity.

(i) Procedures for Forwarding Applications and Reports to the Commission.

(1) When a key employee or primary management official begins work at a gaming operation, the Board shall send the completed application to the Commission.

(2) Upon completion of a background investigation conducted pursuant to this Ordinance, the Board shall send the Investigative Report and the Suitability Determination to the Commission within 60 days after a key employee or primary management official begins work at a gaming operation. A gaming operation or management contractor shall not employ any key employee or primary management official, or any other person who does not have a license after 90 days unless that period is suspended by action of the Board or the Commission pursuant to the Act.

(j) Investigative Report to Commission.

(1) The Board shall prepare a report on each background investigation conducted pursuant to this Ordinance ("Investigative Report"). An Investigative Report shall include the following information:

- (A) A description of the steps taken in conducting a background investigation;
 - (B) An explanation of results obtained;
 - (C) A statement as to the conclusions reached; and
 - (D) The bases or justifications for each of the conclusions.
- (2) If a license is not issued to an applicant, the Board:
- (A) Shall notify the Commission, and
 - (B) May forward copies of its Suitability Determination and Investigative Report to the Commission for inclusion in the Indian Gaming Individuals Records System.
- (3) The Board shall retain all applications for license, Investigative Reports, Suitability Determinations, and other records and information for inspection by the Commission for no less than three years from the date of termination of employment.

(k) Fees for Background Investigation. The fees for background investigations shall be set by the Board. If the actual costs incurred by the Board for a background investigation exceed the amount deposited by the applicant, those costs may be assessed to the applicant at the discretion of the Board. In such cases, the Board shall submit to the applicant a detailed billing of the costs and an explanation as to why the excess costs were incurred.

2. Section 6 of Ordinance No. 29-93 is amended by deleting Section 6 in its entirety replacing it with the following and redesignating it as Section 8:

SECTION 8. EXEMPTIONS.

(a) Class I Gaming. Class I gaming may be conducted solely for recognized charitable, traditional, religious and social purposes of the Tribe and for prizes of minimal value without compliance with this Ordinance.

(b) Prize Limits. For purposes of this Section, "prizes of minimal value" shall mean the aggregate amount of all prizes awarded or given in a single gathering or session that is no greater than that allowed under the laws of the State.

(c) Board Authority. Notwithstanding the exemption granted by this Ordinance for class I gaming, the Board shall have authority to investigate the conduct of any class I gaming to determine whether such class I gaming is in violation of applicable law, to regulate and take measures to ensure the integrity of class I gaming, and to enforce the provisions of applicable law.

3. All other sections of Ordinance No. 29-93, which are not affected by this amendment, shall be renumbered accordingly and remain in full force and effect.