

GAMING LICENSE REGULATIONS
and
BACKGROUND INVESTIGATION PROCEDURES

Coyote Valley Gaming Commission
Coyote Valley Band of Pomo Indians

Chapter 2

LICENSING AND BACKGROUND INVESTIGATIONS

Sections:

- 2.010 Licensing Program.
- 2.020 License Applications.
- 2.030 Waiver of Liability.
- 2.040 Applicant Claim of Privilege.
- 2.050 Withdrawal of Application.
- 2.060 Classes of Licenses.
- 2.070 Types of Licenses Issued.
- 2.080 Application Forms.
- 2.090 Information Required from License Applicants.
- 2.100 Supplemental or Additional Information.
- 2.110 Licensing Prior to Employment.
- 2.120 License in Compliance with Applicable Laws.
- 2.130 Continuing Duty to Provide Information.
- 2.140 License Information / Confidentiality.
- 2.150 License Investigations - General.
- 2.160 License Investigations - Authority, Responsibility and Standards.
- 2.170 Conduct of Investigations.
- 2.180 License and Investigation Reports to NIGC.
- 2.190 Gaming Commission Staff.
- 2.200 Gaming Commission Office.
- 2.210 Review Process - License Applications.
- 2.220 Class "A" License Review Process.
- 2.230 Review Process for Class "B" and "C" Applicants.
- 2.240 Applicants and Licensees / Penalty for Bribes and Rewards.
- 2.250 License Fees.
- 2.260 NIGC Review of Licensing.
- 2.270 Grounds for Denial, Suspension or Revocation of License.
- 2.280 License Suspension or Revocation Process.
- 2.290 Appeal of Denial, Suspension or Revocation of License.
- 2.300 Hearings Closed to Public.
- 2.310 Notification of Licensing Action.
- 2.320 Other Licensee Duties and Responsibilities.

2.010 Licensing Program.

The Coyote Valley Band of Pomo Indians ("Tribe") gaming licensing program is an investigative licensing process under which applicants for a Class III or Class II gaming license or for a license to work in a non-gaming position in a tribal gaming facility are evaluated against the standards set forth in, and subject to applicable provisions of the following: Coyote Valley Gaming Act of 1994, and tribal regulations; the Indian Gaming Regulatory Act ("IGRA") and regulations promulgated thereunder; and any other applicable law or tribal-state compact requirement. An applicant that meets the standards for licensing will be granted a license and will be subject to relicensing at a maximum of every two (2) years. All Class II and Class III gaming activities shall be licensed and controlled and no person shall engage in any Class II or Class III gaming activities on the Reservation without a valid license for that activity, issued by the Coyote Valley Gaming Commission ("Gaming Commission").

2.020 License Applications. A license applicant must submit all application materials, including any fees required, to the office of the Gaming Commission. License applications are subject to the following requirements:

a. Applications must be submitted on forms approved by the Gaming Commission. An application is not considered complete until all information requested is provided to the Gaming Commission. If the application is incomplete or if the applicant fails to promptly provide any additional materials requested, the license may be denied. If the applicant does not respond to written notification of an incomplete application, the failure to submit additional materials, or the failure to submit required fees, within thirty (30) days of the written notice, the Gaming Commission may close the applicant's file.

b. Applications must be signed under oath by an individual attesting that the information provided in the application and any accompanying materials is true, accurate and complete.

c. Applications must be signed by the following:

(1) For a corporation (non-profit or for profit), the highest ranking officer or official of the corporation.

(2) For a sole proprietorship, the principal owner.

(3) For a partnership, all partners; for a limited partnership, the general partner.

(4) For employee licenses, the individual seeking a license.

d. The Gaming Commission may also require the following persons to sign the application:

(1) The chair or members of the board of directors or trustees.

(2) The individual in charge of financial records.

(3) Any person with a substantial interest in the applicant's business, organization or corporation.

e. Applicants must provide a general release and waiver of any privilege in connection with the release of all information required to conduct the review and investigation, so that the Gaming Commission may obtain from any and all sources that information which otherwise may be privileged.

f. The Gaming Commission shall require fingerprinting and background checks for Class A license applicants (to include any key employee or primary management official, as defined in IGRA), and may require fingerprinting and background checks as part of the licensing investigation for any person seeking a license or holding an interest in any gaming activity, including but not limited to an interest in equipment, financing, supplies or services. The Gaming Commission may submit fingerprints to the Federal Bureau of Investigation (FBI), the National Indian Gaming Commission (NIGC), or another tribal, federal, local, or state agency for the purpose of searching their records for any criminal background information.

g. The Gaming Commission will only consider applications which are fully completed and submitted on the forms approved by the Gaming Commission. Application forms are available from the office of the Gaming Commission or will be mailed upon request.

h. All applicant materials and information received by the Gaming Commission will be reviewed fairly, handled in a professional manner, and utilized solely for the purpose of determining applicants suitability for licensing.

2.030 Waiver of Liability. The application to receive a gaming license constitutes a request for determination of the applicant's general character, integrity and ability to participate or engage in, or to be associated with the gaming operation. Any written or oral statement made in good faith in the course of an investigation, proceeding or process of the Gaming Commission by any member, employee or agent of the Tribe or by any witness, testifying under oath, which is relevant to the investigation, proceeding or process, is privileged and shall not impose liability for slander, libel or defamation, or constitute any grounds for recovery in any legal action.

2.040 Applicant Claim of Privilege. At any time during the licensing process or later investigation, the applicant may claim any privilege afforded by law in connection with the application or investigation. The applicant's claim of privilege, however, with respect to any testimony or evidence, or the applicant's failure to produce documents or information required for licensing, may be grounds for denial, suspension or revocation of the license.

2.050 Withdrawal of Application. An applicant may request to withdraw the application by submitting to the Gaming Commission a written request for withdrawal. To be effective, the written request to withdraw must be received by the Gaming Commission at least twenty-four (24) hours prior to the Gaming Commission's issuance or denial of the license.

2.060 Classes of Licenses.

a. Any license issued to an individual or entity for employment in, association with, or to do business with any Class II or Class III gaming activity or enterprise in a gaming-related capacity, shall be considered a Class A license. Further, any person associated with the Tribe's gaming activities, including Class II activities, as an investor or other person owning or controlling ten percent (10%) or more of an interest in any management entity, or any primary management official, key employee, or closely associated independent contractor, shall obtain a Class A license.

b. Those individuals or entities employed by, associated with, or doing business with a gaming activity or enterprise in a non-gaming related capacity, and not identified in Section 1.06 a. above may apply for a Class B or Class C license. The Gaming Commission reserves the right to require such individual or entity to be licensed under the Class A licensing criteria and requirements.

c. Minors employed at a gaming facility are only eligible to apply for a Class C license. Class C licensees may not be employed to operate, participate in, or supervise any gaming activities. For purposes of this Section 2.060, the term "minor" shall mean any person who has not reached their eighteenth (18th) birthday.

2.070 Types of Licenses Issued.

a. The Gaming Commission will license all persons employed in gaming related activities, whether working within or outside of the gaming facility, and all employees working in a gaming facility in a non-gaming related position.

b. Employees in any Class II or Class III gaming enterprise including, but not limited to, those who perform one or more of the following functions are considered to be key employees, and must qualify for and be licensed as Class A employees: bingo caller; counting room supervisor; chief of security; custodian of gaming supplies or cash; floor manager; pit boss; dealer; croupier; approver of credit; or custodian of gambling devices, including persons with access to cash and accounting records within such devices. If not otherwise included, all persons whose total cash compensation exceeds \$50,000 per year and the four (4) most highly compensated persons in the gaming operation must qualify for and obtain a Class A license.

c. The following persons whether employed at a Class II or a Class III gaming enterprise, are considered primary management officials, and must qualify for and be licensed as Class A employees: (a) any person having management responsibility for a management contract; (b) any person who has authority to hire and fire employees or to set up working policy for the gaming operation; and (c) the chief financial officer or other person who has financial management responsibility.

d. The Gaming Commission may issue the following types of licenses:

(1) Class II Gaming Employee License.

All persons employed in or associated with Class II gaming activities, including bingo, non-banking or other Class II card games, pulltabs, punchboards, or any other Class II gaming activities, as well as any Class II employee who is considered a key employee or primary management official must qualify for and hold a Class A gaming employee license.

(2) Class III Gaming Employee License.

All persons employed in Class III gaming activities, including banking card games; lottery-type games; roulette; craps; and other table games or activities designated as Class III gaming, must qualify for and hold a Class III gaming employee license issued under the requirements for the Class A license.

(3) Employee License - Non-Gaming Activities .

All persons employed in a Class II or Class III gaming facility in a position unrelated to any gaming activity including, but not limited to, facilities maintenance and food services employees, must qualify for and hold a non-gaming employee license issued under the criteria for the Class B license.

(4) Class C (Minors) License.

An employee license for non-gaming activities granted to a minor shall be a Class C license, valid for no more than six (6) months, and shall be revoked when the minor reaches the age of eighteen (18). At that time, the employee may apply for a regular Class A or B license.

(5) Management Company / Financiers License.

(a) Any individual or business entity with which the Tribe enters into a contractual agreement for financing, development, management or operation of any Class II or Class III gaming enterprise, must qualify for and receive a Class A license, which shall not be unreasonably denied, revoked or suspended. Any individual or entity, other than a commercial lending institution, the tribal government or the federal government, who extends financing either directly or indirectly to the gaming facility or operation must qualify for and receive a Class A license.

(b) No license shall be granted to a management company if any elected official of the Tribe, or a member of a committee or agency of the band serves on the board of directors or holds (directly or indirectly) ten percent (10%) or more of the issued and outstanding stock of the corporation, or ten percent (10%) or more of the beneficial interest in any partnership, trust, or other entity, in any such corporation, partnership, trust or other entity, having a financial interest in, or management responsibility for, such contract. Notwithstanding the foregoing, no license shall be granted to a management company if any member of the Gaming Commission holds any interest whatsoever (directly or indirectly), in such company. Nor shall any such license be granted if any elected official of the Tribe, member of the Gaming Commission, or a member of any other committee or agency of the Tribe has a financial interest in or management responsibility for any agreement between such management company and the Tribe.

(c) The Gaming Commission, in its sole discretion, may require any employee, officer, or corporation director of a management or financing company to be licensed individually if the public interest will be served by such licensing. Upon request, the management or financing company shall require such persons to apply for a Gaming Commission license in accordance with the laws and regulations in effect at that time.

(6) Suppliers, Distributors and Manufacturers License.

(a) Any manufacturer, distributor or supplier of gaming services or goods must qualify for and receive a Class A license. Individuals or entities who supply legal and accounting services to any manufacturers, distributors, or suppliers of any gaming services or goods are not required to be licensed.

(b) The Gaming Commission reserves the right, in its sole discretion, to waive the licensing requirements for suppliers, distributors or manufacturers providing goods or services of no more than \$25,000 in value in any twelve (12) month period. Once goods or services provided by that entity total \$25,000 in any twelve (12) month period, all licensing requirements shall be applicable.

(c) The Gaming Commission may require any employee, officer, or corporation director of a supplier, distributor or manufacturer to be licensed individually if the public interest will be served by such licensing. Upon request, the company shall require such persons to apply for a Gaming Commission license in accordance with the laws and regulations in effect at that time.

(7) Gaming Facility License.

(a) The Gaming Commission will issue a license to each facility or location where Class II or Class III gaming is to be conducted on the Reservation. Gaming facility licenses are valid for no more than two (2) years from date of issuance. Inspection of gaming facilities includes review of security and surveillance procedures and equipment; compliance with tribal ordinances and other applicable laws and regulations, including requirements of any tribal-state compact to which the Tribe is a party; and compliance with applicable safety requirements and codes.

(b) The Gaming Commission may inspect a licensed gaming facility at any time, with or without prior notice, and may take any action deemed necessary to:

(i) Ensure the safety and welfare of employees, tribal members, patrons, or the general public;

(ii) Ensure the honesty and integrity of any gaming activity offered;

(iii) Ensure that rules of conduct for employees and patrons are provided and that regulation of alcoholic beverages, food handling, entertainment, and other matters as the Gaming Commission, in its sole discretion shall determine, are provided; and

(iv) Ensure compliance with tribal ordinances and other applicable laws or regulations and the requirements of any tribal-state compact to which the Tribe is a party.

(8) Renewal License.

All applicants for renewal of a license must submit updated information as requested on the appropriate Class A, Class B, or Class C license renewal application form. Applicants for a renewal license will not be required to re-submit historical data already available to the Gaming Commission. With the exception of Class C licenses, or as specifically provided in these regulations, all licenses shall be effective for two (2) years from the date of issuance, unless revoked or suspended prior to expiration. A licensed employee or entity that has applied for renewal of their license in a timely manner may continue to be employed or provide goods or services under an expired license until the Gaming Commission takes action to grant or deny the license or until the license is revoked or suspended.

(9) Temporary or Conditional License.

Any person or entity applying for a license under these regulations may, at the sole discretion of the Gaming Commission, be granted a temporary or conditional license in lieu of a regular license, pending completion of a full and complete investigation and review of the application, or in order to address specific areas of concern. The expiration date and any applicable conditions to be satisfied prior to issuance of the regular license will be stated on the temporary or conditional license. The Gaming Commission will not authorize the continuation of employment of any person as a key employee or primary management official for more than ninety (90) days, unless that person or entity holds a valid license (issued under the criteria for Class A licenses), issued by the Gaming Commission.

2.080 Application Forms.

a. The Gaming Commission shall provide application forms and instructions, as applicable, to any individual or entity seeking to be licensed.

b. Class A license applicants (to include key employee and primary management officials) and Class B license applicants unless specifically exempted by the Gaming Commission, must acknowledge in writing the applicability of the Privacy Act of 1974 and sign a notice regarding the penalty for making false statements on the application. The following notices shall be placed on the application form.

(1) In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. § 2701 et. seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in the tribe's being unable to hire you in a primary management official or key employee position.

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

(2) A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment. (U.S. Code, title 18, § 1001)

c. Any gaming employee identified in subsection b. above, who has not signed an application containing the above notices, must either: (1) sign a statement which contains the notices; or (2) complete and sign a new application form which contains the notices.

2.090 Information Required from License Applicants.

a. All Class A license applicants (to include key employees and primary management officials), as well as Class B license applicants unless specifically exempted by the Gaming Commission, shall provide information to the Gaming Commission including the following:

(1) For a corporate entity, a copy of the corporate applicants' articles of incorporation and bylaws; or, if a business entity or organization but not a corporation, a copy of any bylaws and other documents which set out the organizational structure and purposes of the organization.

(2) Details and copies of any franchise or other agreements, whether written or oral, between the applicant and distributors or manufacturers or suppliers of equipment, or between the applicant and any person or entity where those agreements relate to gaming activities or gaming equipment.

(3) Full name, current address (including addresses covering the last five (5) years), and telephone number(s) (both business and residence), date and place of birth, social security number(s), any other names used (oral or written), citizenship, gender, and all languages spoken or written;

(4) The name, address, and telephone number for all businesses and organizations in which the applicant has any financial interest and the details of that financial interest;

(5) Completed copy of the Gaming Commission's "Personal History Information" form;

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

(7) Names and current addresses of at least three (3) personal references, including one personal reference who was acquainted with the applicant during each period of residence listed in subsection (6) above;

(8). Description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;

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

(10) Name and address of any licensing or regulatory agency (federal, tribal, state, local or foreign) with which the person has ever filed either: (a) an application for a license or permit related to gaming, and whether or not such license or permit was granted, or (b) an application for an occupational license or permit, whether or not such license or permit was granted;

(11) For each felony for which there is currently or has been, during at least the previous ten (10) years, an on-going prosecution or a conviction: the charge, the name and address of the court involved, and the date and disposition, if any, of the case;

(12) For each misdemeanor conviction or on-going prosecution (excluding minor traffic violations for which the fine is no more than twenty-five dollars (\$25.00)), within at least ten (10) years of the date of the application: the name and address of the court involved, and the date and disposition, if any, of the case;

(13) For each criminal charge (excluding minor traffic charges), whether or not there is or was a conviction, if such criminal charge is within no less than ten (10) years of the date of the application and is not otherwise listed above in subsections (11) or (12): the criminal charge, the name and address of the court involved and the date and disposition, if any, of the case;

(14) Current photographs;

(15) Fingerprints consistent with procedures adopted by the Gaming Commission consistent with 25 C.F.R. § 522.2(h); and

(16) Any other information the Tribe or the Gaming Commission deems relevant.

b. The Gaming Commission may require any Class C applicant to submit some or all of the information required under Section 1.09 for Class A and Class B applicants.

2.100 Supplemental or Additional Information. A licensee shall submit to the Gaming Commission any supplemental or additional information requested. Supplemental or additional information must be submitted within thirty (30) days from the request, or within such other time as the Gaming Commission may direct. Failure to submit any of the requested information in a timely manner shall be grounds for denial of the license sought, and for revocation of any license held.

2.110 Licensing Prior to Employment. Unless otherwise exempted by the Gaming Commission, or as provided for in the Gaming Act or regulations promulgated thereunder, an individual or entity required to be licensed must obtain the required license, whether regular, temporary or conditional, prior to the commencement of their employment at or by any tribal gaming activity or enterprise.

2.120 License in Compliance with Applicable Laws. No gaming license shall be granted in violation of any provision of tribal laws and regulations, provisions of an applicable tribal-state compact, IGRA and regulations promulgated thereunder, or other applicable law. The Gaming Commission shall deny a license to any individual or entity based on such criteria.

2.130 Continuing Duty to Provide Information. Any applicant or licensee shall have a continuing duty to provide any materials, assistance or other information required by the Gaming Commission, and to fully cooperate in any investigation conducted by or on behalf of the Gaming Commission. Any information relevant to the application or to the licensee or applicant's character or fitness to be involved with the gaming activity or enterprise, shall be delivered to the Gaming Commission, with or without a formal request from the Gaming Commission. If any information provided on the application changes or becomes inaccurate, the applicant or licensee shall notify the Gaming Commission of such changes or inaccuracies.

2.140 License Information / Confidentiality. The Gaming Commission may disclose or discuss at a meeting closed to the public all information set forth in the application and all supplemental information provided. All licensing information submitted becomes the property of the Gaming Commission and is subject to inspection and disclosure unless otherwise protected under provisions of a tribal law or regulation, or under an applicable exception as indicated below:

a. Documents Designated as Confidential. An applicant may designate specific materials or documents it reasonably believes to contain confidential information by clearly marking, prior to providing the information to the Gaming Commission, the materials or documents as "Confidential". These materials and documents shall not be subject to disclosure or made part of a public record of the Gaming Commission without first providing the license applicant notice and an opportunity to seek a ruling by the Gaming Commission that the materials or documents or information contained therein should not be released. The Gaming Commission will balance the license applicant's confidentiality concerns against the materiality of the information to the license application, the Tribe's need to be made aware of the information, and the Gaming Commission's need to make the information part of the record in order to remain fully accountable for the licensing decision. The Gaming Commission shall consider all facts and circumstances relevant to making a proper ruling. Decisions of the Gaming Commission shall be effective when issued, but may, within ten (10) days after issuance be appealed to the Tribal Court.

b. Protection of Arrest and Conviction Records. Information or statements regarding arrests or convictions of any person will not be disclosed to the public, except as relevant to the applicant's suitability in an administrative hearing to appeal denial, revocation, or suspension; or other legal proceeding.

c. Protection of Persons Interviewed. The identity of each person interviewed in the course of a license applicant background investigation shall be kept confidential.

2.150 License Investigations - General.

a. All Class A license applicants, and other applicants unless exempted by the Gaming Commission, shall be subject to a complete background investigation, including fingerprinting, prior to granting of a license. The Gaming Commission will refer persons to the County Sheriff's Office for fingerprinting, and will coordinate with the County Sheriff's Office regarding criminal history check procedures. The Gaming Commission shall use any information available to it in conducting such investigation.

b. Inspection of Applicant Books and Records. The books and records of any person, organization or entity applying for a license shall be subject to inspection at any time, on demand and with or without notice, during the background investigation process and the term of any license granted.

2.160 License Investigations - Authority, Responsibility and Standards.

a. The Gaming Commission shall have the responsibility for the conduct of any required background investigations, development and transmittal to the NIGC of the eligibility determination and investigative reports, and the licensing of all gaming employees as well as other individuals and entities involved in gaming activities or doing business with the gaming enterprise on the Reservation. For each Class A applicant (to include key employees and primary management officials), and other applicants unless exempted by the Gaming Commission, the Gaming Commission will conduct, or cause to be conducted, a background investigation. After independent review of all background investigation materials, the Gaming Commission will issue or deny the license requested.

b. Each applicant for a gaming license will be assessed and evaluated and the investigation shall be conducted under standards at least as stringent as those contained in tribal laws and regulations as well as other applicable laws and regulations, including IGRA and regulations promulgated thereunder and the provisions of any applicable tribal-state compact to which the Tribe is a party. All background investigations will be conducted to ensure that the Tribe does not employ or contract with persons whose prior activities, criminal record, reputation, habits and associations pose a threat to the public interest or the effective regulation of gaming, or create or enhance the danger of unfair, unsuitable or illegal practices, methods and

activities in the conduct of such gaming. The Gaming Commission reserves the right to conduct a more comprehensive background investigation than required by other licensing jurisdictions or any applicable law.

2.170 Conduct of Investigations. The Gaming Commission is authorized to conduct investigations and develop eligibility and suitability determinations using Gaming Commission employees; by contracting for such services with a qualified independent investigatory entity (either private or public entity) to perform all or any portion of the work required in completing the background investigation and providing information for the eligibility or suitability determination. The Gaming Commission shall make such determinations regarding how investigations are conducted based on requirements under applicable law, availability of staff and resources, and other considerations and requirements. In the event the Gaming Commission contracts with an independent investigatory entity for such investigative work, the Gaming Commission Supervisor and Agents (as necessary) will review each background investigation report from the independent investigator (whether public or private), approve or disapprove the investigative work, compile the eligibility determination materials, and make a preliminary recommendation to deny or issue a license. This recommendation, together with the application materials, shall be forwarded to the members of the Gaming Commission for a final determination. The decision regarding the issuance or denial of the license remains with the Gaming Commission.

2.180 License and Investigation Reports to NIGC.

a. Within sixty (60) days after a Class A license applicant or licensee begins work in a gaming operation, or within sixty (60) days after approval of the Gaming Act by the NIGC, the Gaming Commission will complete and forward to the NIGC the application materials, investigative report and eligibility determination used to evaluate the applicant or licensee's eligibility for a license. The responsibility for transmittal (or causing the transmittal) of investigative reports to the NIGC remains with the Gaming Commission Chairman at all times. The investigative report provided shall include at least the following information:

- (1) Steps taken in conducting the background investigation;
- (2) Results obtained;
- (3) Conclusions reached; and
- (4) The basis for those conclusions.

b. If, upon investigation and for any reason, the Gaming Commission does not issue or renew a Class A license, the Gaming Commission will notify the NIGC of such denial and may forward copies of the eligibility determination and investigative report, if any, to the NIGC for inclusion in the Indian Gaming Individuals Records System.

c. The Gaming Commission will retain applications for Class A licenses, including reports of background investigations, for a period of no less than three (3) years from the date of license denial or termination of employment, whichever is later. Those records will be made available for inspection by the Chair of the NIGC or his or her designee.

d. For Class B or Class C license applicants who are not key employees or primary management officials, no investigative report or eligibility determination will be forwarded to the NIGC, unless specifically requested by the NIGC and approved by the Gaming Commission.

2.190 Gaming Commission Staff. Gaming Commission staff responsible for review of gaming applications, either directly or by outside investigators, includes the Administrator, Reviewing Agents ("Agents"), and the Supervisor. Gaming Commission staff selected must be qualified for such review and investigatory work to ensure accurate and complete review and investigation of all applicants. In general, staff will be trained and have experience in auditing, or law enforcement, or both. At least one Agent in the review section will be qualified by experience or training to review law enforcement matters. All candidates for Gaming Commission positions must apply through the Gaming Commission office, and will be tested and pre-screened by that office prior to interviewing for a position with the Gaming Commission. The Gaming Commission may request any potential employee to submit an application and authorize a background investigation to be conducted. At the discretion of the Gaming Commission, such investigation of potential employees may include a review of the individual's personal history, criminal history and financial history.

2.200 Gaming Commission Office. In addition to the responsibility of the Gaming Commission staff in background investigations and licensing of applicants, the office will distribute application materials, provide information regarding the application and licensing process, and accept license applications for processing. Any individual or business entity seeking a license to work in, or to do business with, the Tribe's gaming or other enterprise(s) may contact the Gaming Commission for application information and materials.

2.210 Review Process - License Applications.

a. Upon receipt, applications will be date stamped, logged in, accepted and reviewed for completeness by the Gaming Commission Administrator. Each application question will be checked to ensure that information requested has been provided, including any required attachments. The Administrator will contact the applicant by telephone, facsimile or in writing regarding any incomplete information or additional materials required prior to processing of the application. Fingerprint cards, if required, will be handled according to the process required by the agency transmitting such cards to the FBI for processing. All fingerprint cards that are required to be or will be sent to the NIGC for processing through the FBI must be sent directly from the law enforcement agency completing those cards to the NIGC. If the Tribe receives fingerprint cards under other requirements for processing, such as those imposed under an applicable tribal-state compact, the fingerprint cards will be processed according to the required procedures of the authorized processing agency and, if appropriate, the Administrator will forward the fingerprint cards to the authorized agency for processing.

The Administrator will ensure that a check or money order in the correct amount of the basic license fee is included with the application, note the amount received, and forward the check or money order for deposit.

b. When the application is deemed complete and ready for full review and investigation, the Administrator will separate the application sections and forward each section (or the entire application) to the appropriate Agent for review. The Administrator will maintain a complete and updated record of each license application, noting each portion of the application and the date and to whom is it forwarded for investigation and review.

c. All portions of the license application will be fully reviewed by one or more Gaming Commission Agents. An Agent with experience or training in law enforcement will, at minimum, review the Criminal History portion of each application prior to completion of the review process.

d. On or before the date a key employee or primary management official begins work at a gaming operation, the Gaming Commission Administrator will forward a copy of the employee's application for employment to the NIGC.

2.220 Class "A" License Review Process.

a. For all Class "A" license applicants (to include key employees and primary management officials), reviewing Agent(s)

will complete, during their review and investigation, a checklist containing the information required for development of the eligibility determination. Information will be verified, any problem areas and discrepancies will be noted, and other comments will be provided as applicable.

b. At minimum, the review of a Class "A" license application will include a complete review of applicant's criminal history, personal history, and financial history in order to detect any unusual relationships or criminal associations, and to assess applicant's reputation. Background investigations will include, but are not limited to:

(1) Verification (written or oral) of information submitted by applicant.

(2) A search of law enforcement records to ensure the applicant has no outstanding warrants.

(3) A request for information about the applicant, directed to the law enforcement authority in each jurisdiction where the applicant has worked or lived in at least the past ten (10) years. At minimum, the Gaming Commission Agent will inquire into applicant's prior activities, criminal record, if any, and reputation, habits and associations. Personal and professional references, as well as other individuals may be interviewed in order to develop a complete and accurate picture of the applicant, including any unusual relationships, financial problems, or criminal record. Such inquiries shall be of sufficient number and depth for the Gaming Commission to make a finding concerning the applicant's eligibility or suitability for employment in or association with the gaming enterprise.

(4) A complete review of the criminal history record information (CHRI) from the FBI fingerprint check.

(5) A review of applicant's credit report.

(6) Documentation of the disposition of all potential problem areas noted and any disqualifying information obtained.

c. During the investigation, reviewing Agent(s) will note all potential problem areas and any possible disqualifying information obtained for development of the eligibility determination statement. When the Agent(s) has completed the review process, the completed file with comments and other information received by the Agent(s) will be forwarded to the review section Supervisor. The Supervisor will review all materials, approve investigative work performed, and make a preliminary recommendation to approve or disapprove issuance of

the license based on the recommendations of reviewing Agents, and an independent review of all investigative materials. The eligibility (suitability) determination will be completed by the Supervisor for review and approval by the Gaming Commission.

(1) The investigative report for each applicant, to be completed by the Gaming Commission Supervisor, will establish a record of the review process, including the steps taken in conducting the background investigation, the results obtained, conclusions reached, and the process in reaching such conclusions and determinations.

(2) All applicant materials and pertinent investigative work will be reviewed, and approved or disapproved by action of the members of the Gaming Commission.

(3) For key employees and primary management officials, if the determination of the Gaming Commission is that a license be issued to the applicant, all portions of the file which must be reviewed by the NIGC will, at that time, be copied and forwarded by the Gaming Commission, together with a copy of the license eligibility determination and the investigative report, to the NIGC for review.

d. Upon approval by the Gaming Commission a license may be issued to the applicant.

e. The Gaming Commission may issue a temporary license to the applicant prior to completion of the investigative process; provided, no temporary license will be valid for more than ninety (90) days.

2.230 Review Process for Class "B" and "C" Applicants.

a. Class "B" and Class "C" license applicants will obtain and submit forms as above. Applications will be reviewed by Agents of the Gaming Commission and an eligibility determination will be developed for internal use. Licenses will be granted or denied based on information obtained during the review process.

b. Although the background investigation will generally be narrower than that for Class "A" applicants, it will be conducted in a similar manner by the Gaming Commission staff. At minimum, investigative procedures to be performed for all license applicants shall include the following:

(1) Review of application for completeness.

(2) Verification of information submitted by applicant.

(3) Search of law enforcement records for any outstanding warrants.

(4) Review of credit history including a review of applicant's credit report if necessary.

(5) Sufficient inquiry into applicant's prior work record, personal, and criminal record, if any, to develop an understanding of applicant's reputation, habits and associations. This inquiry may include interviewing (by phone or in person) personal and professional references, former employers, and others in order to provide a basis for the development of an eligibility determination, and to assess the applicant's chance for development of a successful working relationship with the tribal gaming operation.

(6) Documentation of any potential problem areas and disqualifying information obtained.

2.240 Applicants and Licensees / Penalty for Bribes and Rewards. No applicant or licensee shall give or provide, or offer to give or provide, either directly or indirectly, to any official of the Tribe, the Gaming Commission or any other Commissions or agents of the Tribe any compensation or reward or share of the money received through gambling activities, in consideration for obtaining any license, authorization or privilege to participate in any gaming activity or enterprise. Any violation shall result in denial or revocation of any license held or sought.

2.250 License Fees.

a. Basic license fees are established by the Gaming Commission, and may be changed without prior notice at any time, for any class of license. The Gaming Commission will determine and publish notice of the basic fees for license applications, such cost to be based on a reasonable estimate of costs involved. If the cost of investigation and processing the license exceeds the fee established, the Gaming Commission may request that additional fees be paid prior to issuance of the license. Applicants must comply with a request for a deposit to cover the estimated cost of investigation and processing. The applicant's failure to pay any deposit as and when reasonably requested may result in denial of the license. The deposit shall be paid by the applicant by personal check or money order. The Gaming Commission, in its sole discretion, may delay the issuance of a license for a sufficient period of time to ensure that a check offered to cover such fees has cleared the bank.

b. The Gaming Commission reserves the right to waive or adjust license fees for a member of the Tribe or a member of another tribe. The decision of the Gaming Commission regarding such requests shall be final and non-appealable.

2.260 NIGC Review of Licensing.

a. The NIGC has a period of thirty (30) days after receipt of the report provided by the Gaming Commission as established above, to notify the Tribe of any objections to the issuance of the Class A license. If the NIGC, within the thirty (30) day period, provides to the Tribe a statement itemizing objections to the issuance of a license to a Class A license applicant, the Gaming Commission will reconsider the application taking into account the objections raised. The Gaming Commission will fully consider the information provided by the NIGC and issue a final decision after full reconsideration of the application and additional information.

b. If, within the thirty (30) day period, the NIGC requests additional information concerning a Class A applicant for whom a report is provided, that request will suspend the thirty (30) day period until the Chairman of the NIGC receives the information requested.

c. If, after issuance of a Class A license, the Tribe receives reliable information from the NIGC that the licensee is not eligible for employment under the above provisions, the Gaming Commission will take the following steps:

(1) Suspend the license and notify the licensee immediately of the suspension and proposed revocation of the license;

(2) Notify the licensee of a time and a place for a hearing on the proposed revocation of the license;

(3) Conduct the revocation hearing and make a determination whether to revoke or to reinstate the Class A license; and

(4) Notify the NIGC of the final decision regarding the revocation or reinstatement of the Class A license.

d. The above provisions may, in the sole discretion of the Gaming Commission, be applicable to Class B licenses.

2.270 Grounds for Denial, Suspension or Revocation of License. The Gaming Commission may deny a license, or suspend or revoke a license when the applicant or licensee, or any other person or entity with any interest in the applicant or licensee:

a. has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by the Tribe's Gaming Act and regulations, provision of any applicable tribal-state compact, the IGRA and regulations promulgated thereunder, or any other applicable laws or regulations;

b. knowingly causes, aids, abets or conspires with another to cause, any person to violate any of the Tribe's laws or regulations or applicable laws or regulations;

c. has obtained a license by fraud, misrepresentation, concealment, or through inadvertence or mistake;

d. fails to promptly produce for inspection or audit any book, record, or document required by the Tribe's laws or regulations;

e. has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to the crime of forgery, larceny, extortion, conspiracy to defraud, tax evasion, or similar offenses, or of any crime, whether a felony or misdemeanor, involving moral turpitude or any gambling activity; or

f. allows any person who has been convicted of, or forfeited bond upon, any of the offenses above to participate in the management or operate in a key position with the entity licensed by the Gaming Commission, without prior notice to and written approval from the Gaming Commission;

Upon receiving written notice of the suspension or revocation of any license issued by the Gaming Commission, the licensee is required, within five (5) days, to surrender and return the license to the Gaming Commission.

2.280 License Suspension or Revocation Process. Any license issued under these regulations may be suspended or revoked by the Gaming Commission for the breach or violation of the requirements or provisions of applicable laws or regulations, upon a hearing before the Gaming Commission held no more than twelve (12) or less than eight (8) working days from the time licensee is given notice of the alleged breach or violation. The licensee, and any person directly affected by the license action shall have the right to be present and to offer sworn oral or documentary evidence relevant to the breach or violation charged. Notwithstanding the foregoing, the Gaming Commission may summarily suspend or revoke any license upon a showing that the failure to suspend or revoke constitutes a threat to the public health, safety or welfare.

2.290 Appeal of Denial, Suspension or Revocation of License.

a. Decisions of the Gaming Commission regarding the denial, suspension or revocation of licenses shall be effective when issued, subject to the appeal process established below.

b. An applicant or licensee whose license is denied, revoked or suspended may, within thirty (30) days after the date of receipt of a written decision of the Gaming Commission, file a petition with the Gaming Commission requesting a hearing to reconsider the decision. The petition must set forth the basis of the request for reconsideration. If no petition for reconsideration is filed within the time prescribed, the decision shall be deemed final and not subject to further reconsideration or appeal to and review by the Gaming Commission. The decision of the Gaming Commission, after reconsideration, may be appealed to the Tribal Court in accordance with rules and regulations promulgated by the Tribal Court for such purpose.

c. Notwithstanding the above, a member of the Tribe may, in addition, appeal a denial, suspension or revocation of a license to the Gaming Commission under the following procedures. Such appeals from Tribal Members must be in writing and be delivered to the Gaming Commission within sixty (60) days of receiving notice of the denial, suspension or revocation. The Gaming Commission shall consider the evidence presented by the applicant and the Gaming Commission staff, prior to making a determination on the licensing decision. The appellant and the Gaming Commission staff may offer such information and documents as are relevant to the determination of the applicant's suitability for a license and may call witnesses to testify in such a proceeding if such witnesses can provide information regarding the applicant's suitability. Tribal Members retain the right to appeal a decision of the Gaming Commission to the Tribal Court. No determination of the Gaming Commission or the Tribal Court shall be considered valid if it would place the Tribe in violation of an applicable tribal-state compact, the IGRA and regulations promulgated thereunder, or any other applicable law. Any license so issued shall be issued for a period no longer than one (1) year.

2.300 Hearings Closed to Public. All hearings regarding gaming licensing proceedings or reconsideration of an application shall be closed to the public unless specifically opened to the public by a two-thirds (2/3) majority vote of the Gaming Commission.

2.310 Notification of Licensing Action. The Gaming Commission shall promptly notify, in writing, each applicant upon

the grant or denial of the license. To the extent required under federal or state laws and regulations, or other applicable law, the Gaming Commission shall promptly notify the NIGC and any other applicable federal or state agency of all licenses issued.

2.320 Other Licensee Duties and Responsibilities.

a. The licensee and the licensee's employees shall be responsible for any violation of the Tribe's laws and regulations, license requirements, all applicable laws and regulations, and any applicable tribal-state compact provisions.

b. Each licensee shall assume the full responsibility for providing to the Gaming Commission on an on-going basis, complete, updated and accurate information such as that provided in the original license application, or any other information that may impact the licensee's suitability for continued licensing. Failure to provide such information on a timely basis may result in suspension, revocation or denial of the license.

c. Each licensee issued a conditional or provisional license shall assume the full responsibility for full and timely compliance with any conditions or restrictions set forth in such license.

d. The issuance or renewal of any license may be conditioned on successful completion of training required for employment, or the presentation of evidence of the individual or entity's ability to successfully perform the duties for which the license is sought.

e. The Gaming Commission, upon approval of a license application, shall issue each licensee a license card in the form of an identification card which shall be worn by the licensee at all times while working in any gaming facility located on the Reservation. The license card shall be no larger than 2½ x 4 inches.

The front of the card shall contain a passport type or full face photograph of the licensee, the name of the licensee, the business job title and the class of gaming license that the licensee holds. The back of the license card shall contain the height, weight, date of birth, color of eyes, color of hair, right thumb print of the licensee and licensee's signature. The back of the card shall also contain a certification signed by the Chairperson of the Gaming Commission that the licensee has been issued a license by the Commission and the type of license issued.

CERTIFICATION

The foregoing Regulations were adopted at a regular meeting of the Coyote Valley Gaming Commission held on November ____, 1995, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Chairman of the Coyote Valley
Gaming Commission

ATTESTED:

Secretary of the Coyote Valley Gaming Commission