



*Mille Lacs Band of Ojibwe Indians*  
Gaming Regulatory Authority  
Office of Gaming Regulation and Compliance

**RESOLUTION 02-10**

**A RESOLUTION APPROVING CHANGES TO REGULATION DGR 7a  
VENDOR BACKGROUND INVESTIGATIONS AND LICENSING**

**WHEREAS,** the Gaming Regulatory Authority Board is the duly-appointed governing body of the Gaming Regulatory Authority, and

**WHEREAS,** the Gaming Regulatory Authority Board has the power and duty to develop, adopt, and promulgate regulations in accordance with 15 MLBSA §305, and


**WHEREAS,** the Gaming Regulatory Authority Board has complied with 15 MLBSA §305 (b)(2), changes to Regulation DGR 7a- Vendor Background Investigations and Licensing was posted for a 30 day comment period beginning July 1, 2010 and closing August 2, 2010, and

**WHEREAS,** the Gaming Regulatory Authority Board has received comments during the posted comment period and in accordance with 15 MLBSA §305 (b)(3) has reviewed all comments and has made such changes to Regulation DGR 7a- Vendor Background Investigations and Licensing as it deemed reasonable and appropriate.

**NOW, THEREFORE IT IS RESOLVED,** that the Gaming Regulatory Authority Board approves changes to Regulation DGR 7a- Vendor Background Investigations and Licensing and establishes the effective date for changes as August 19, 2010.

**WE DO HEREBY CERTIFY,** that the foregoing resolution was duly concurred with and adopted at a special meeting of the Gaming Regulatory Authority Board, a quorum of members being present, held on the 19<sup>th</sup> day of August 2010 at Hinckley, Minnesota by a vote of 3 FOR, 0 AGAINST, 0 SILENT.

**IN WITNESS WHEREOF,** we the Gaming Regulatory Authority Board hereunto cause to have set the signature of the Gaming Regulatory Authority Chairperson to be affixed to this Resolution.

  
\_\_\_\_\_  
Gaming Regulatory Authority Board Chairperson

**OFFICIAL SEAL OF THE BAND**

Mille Lacs Office  
700 Grand Avenue • Onamia, MN 56359  
320-532-8835 • Fax 320-532-8893

Hinckley Office  
777 Lady Luck Drive • Hinckley, MN 55037  
320-384-4470 • Fax 320-384-4813

Vendor Licensing  
700 Grand Avenue • P.O. Box 343 • Onamia, MN 56359  
320-532-8832 • Fax 320-532-8893



Mille Lacs Band of Ojibwe Indians  
Gaming Regulatory Authority  
Office of Gaming Regulation and Compliance

Date: August 19, 2010

## NOTICE OF ADOPTION

Pursuant to 15 MLBSA § 305(b)(2), this serves as the official notice of adoption for the following:

### Changes to Detailed Gaming Regulation 7a, Vendor Background Investigations and Licensing

Summary of changes:

**Changes to I.**

*Changes to formatting where applicable*

**Changes to II.**

*Changes to formatting where applicable*

Section F: Added "officer, director, stockholder" and "owning ten percent (10%) or more interest in the business entity."

Section G: Added "Publicly Held Company: A company whose shares of common stock are held by the public and are available for purchase by investors. The shares of publicly traded firms are bought and sold on the organized exchanges or in the over-the-counter market. Such companies are regulated by the SEC."

Section H: Added "or individuals which will have access to sensitive areas within the casino being onsite or remote access."

**Changes to III**

*Changes to formatting where applicable*

Section 2: Added: "Any Non-gaming Suppliers doing business with a Gaming Enterprise and meeting the following Criteria must apply to the Mille Lacs Band Gaming Regulatory Authority for a Vendor Number."

Section 2 (A) Added: "any Vendor whose annual aggregate cost is \$24,999.00 or less."

Section 3: Added: "or vendor number"

Section 4 (H): Added: "daycare facilities."

Section 4(I): Deleted: "*Unless specifically included on the exemption List (Section 4), a*"

*Deleted: "Each Band's Gaming enterprises or the Corporate commission, at the corporate Commission's discretion shall forward to the OGR&C Vendor Licensing Department a New Vendor Information sheet on a Form Prescribed by the Authority whenever the Gaming Enterprises and/or corporate Commission intends to do business with a Vendor who is not currently listed on any of the Vendor lists maintained by the OGR&C Vendor Licensing Department."*

\*\* This information was moved to IV. Section 4 Intent to Provide Services.

Section 5: Add: "or Vendor Number"

#### **Changes to IV**

*Changes to formatting where applicable*

Section 1 (E): Added: "Garbage services are not considered utilities"

Section 1 (F): Added: "Gaming Enterprise owned"

Section 1 (G): Added: "Exhibit costs i.e.: drayage, booth space and costs."

Section 1 (H): Added: "Professional" and "professional entertainer, sports figure, celebrity engaged to appear at a casino-sponsored special entertainment or promotional event,"

Section 1 (I): Replaced word "suppliers" to "supplies"

Section 1 (J): Added: "and training materials"

Section 1 (N): Added: "Corporate Commission owned band businesses until the business has transferred ownership to a private party."

Section 1 (Q): Added: "Sponsorships and professional memberships."

Section 1 (S): Added: "to include advertising in all"

Section 1 (U): Added: "or a mitigating circumstance (i.e. Gaming Enterprise purchases a business with existing contracts)"

Section 2: Added: "but are required to get a vendor number and supply their contact information on the prescribed New Vendor Sheet and their W-9."

Section 3: Deleted: *Waiver Requests. Vendors currently doing business with one or both of the Band's Gaming Entities prior to the adoption of these regulations may request a waiver of some and/or all of the Vendor licensing requirements provided that:*

- A. *The Vendor currently has a long term contract with one or both of the Gaming Entities;*
- B. *The Gaming entity has an existing maintenance agreement with a Vendor that would be voided if the Gaming entity changed the maintenance services to another vendor;*
  - a. *The Corporate Commissioner shall submit such requests in writing to the GRA Board:*
    - i. *The GRA Board will review all requests for waivers to determine if granting the waiver would pose a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming.*
    - ii. *The GRA Board will grant or deny the waiver by issuing a Compliance Determination.*
    - iii. *No Waiver requests will be accepted for Gaming Suppliers or Limited Gaming Suppliers.*
    - iv. *This waiver will only be effective for a period of one year from the time of adoption.*

\*\*This section no longer applies due to the length of the original adoption of DGR 7a.

Section 5: Deleted: *"the applicant presents, along with his/her/its application, and agreement or statement of intent with one or both of the Band's Gaming Enterprises that states that the Vendor will supply goods or services to the Gaming Enterprise, or will be considered as a vendor once a Vendor's license has been issued."* and replaced with "each Band's Gaming Enterprise or the Corporate Commission's assigned departments or designee responsible for the purchases of the Gaming entities, forward to the OGR&C Vendor Licensing Department a completed New Vendor Information Sheet on a form prescribed by the Authority and a W-9 for the vendor, whenever the Gaming Enterprises and/or Corporate Commission intends to do business with a Vendor which will supply goods or services who is not currently listed on the Vendor database maintained by the OGR&C Vendor Licensing Department.

Section 6: Added: "and Authority to Release"

### **Changes to V**

*Changes to formatting where applicable*

Section 2 (a): Added: "(One-time fee due upon original application.)"

Section 3: Deleted: "At least monthly the Band's Gaming Enterprises or" and "Commission, at the Corporate Commission's discretion, shall"

Added: "Monthly the Corporate Commission shall"

Section 3 (c): Added: "EIN Number."

Section 3 (d): Added: "and Monthly."

Section 4: Added: "invoice the vendor with"  
Deleted: "request" and "in writing"

### Changes to VI

*Changes to formatting where applicable*

Section 2 (b): Added: "Substantial Owners and other officers or employees do not have to submit a Personal Disclosure if they are a Publicly owned company and NOT a Gaming Supplier."

Section 2 (e) (1): Added: "The type or classification of goods or services that the applicant proposes to supply to the Gaming Enterprise."

\*\*This was originally in Section 2 (e) (8).

Section 2 (e) (2): Added: "The fee category based on the aggregate Gross sales over the past year or expected Gross Sales expected for the upcoming year for New Vendors."

Section 2 (e) (3): Added: "Type of company submitting application and clarification if company is privately held or a public company."

Section 2 (e) (4): Deleted: "*Name of applicant (including name of person completing form and dba information for business entities.*" and Added: "companies full name as registered on their tax identification number."

Section 2 (e) (5): Deleted: "*Present and past (prior ten years) business address (es).*" and Added: "Name of individual completing the vendor licensing application."

Section 2 (e) (6): Added: "companies address and contact information. Compliance contact required for all gaming suppliers."

Section 2 (e) (13): Added: "'Publicly Held Company" shall provide a copy of the United States Securities and Exchange Commission's latest filing of Form 10-Q and 10-K.

Section 2 (e) (14): Added: "or Key personnel."

Section 2 (e) (15): Deleted: "*Criminal history of the applicant or the applicant's Substantial Owners.*"

Section 2 (e) (17): Added: "W-9"

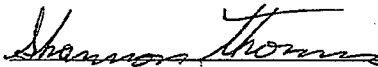
Section 2 (e) (18): Added: "Copy of Certificate of Liability Insurance for companies performing any work on site unless otherwise directed by the Gaming Regulatory Authority."

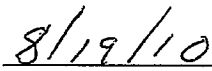
**Changes to VI**

Section 3 (a): Deleted: "*begin*" and Added: "begins"

Effective Date of changes: August 19, 2010

Copies of this regulation can be obtained at the Office of Gaming Regulation and Compliance

  
\_\_\_\_\_  
Gaming Regulatory Authority Board Chairperson

  
\_\_\_\_\_  
Date



Mille Lacs Band of Ojibwe Indians  
*Gaming Regulatory Authority*  
*Detailed Gaming Regulations*

**VENDOR BACKGROUND INVESTIGATIONS AND  
LICENSING**

**Document No. DGR – 7a**

**Effective: July 26, 2005**

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**I. SCOPE.** Pursuant to 15 MLBSA § 3(ee) and § 305(a) (3), the following regulations shall apply to the licensure of all entities engaged in commerce with a Band Gaming Enterprises.

**II. DEFINITIONS.**

- A. "Gaming goods, supplies, materials, equipment or services" and "gaming related" means goods and services unique to gaming and not common to ordinary Tribal operations. When determining whether a good or service is a gaming good or service the following factors shall be considered:
1. Does the good or service require the continued presence of the vendor's personnel on the casino floor or any other areas of the facility used for the purpose of Class II or III gaming?
  2. Does the good or service allow access to or provide information regarding security practices, surveillance practices, or other procedures designed to minimize the risk of diversion of revenue or protect assets, or preserve reliable records, reports and account transactions?
  3. Does the good or service permit vendor access to or provide information about gaming-related equipment?
- B. "Gaming Supplier" shall mean "any contractor or other supplier who provides gaming goods, supplies, materials, equipment, or services to any Gaming Enterprise, or any contractor or other supplier whose annual aggregate cost of which to the Band's Gaming Enterprises is at least \$25,000 or greater." For the purposes of Gaming Supplier licensing, any Band-owned business budget that is included in the annual operating budget for any of the Band's Gaming Enterprises shall be subject to the requirements of this section.
- C. "Limited Gaming Supplier" shall mean any contractor or other supplier of gaming goods, supplies, materials, equipment, or services to any Gaming Enterprise, the annual aggregate cost of which to the Band's Gaming Enterprises is \$0 to \$24,999.99. For the purposes of Limited Gaming Supplier licensing, any Band-owned business budget that is included in the annual operating budget for any of the Band's Gaming Enterprises shall be subject to the requirements of this section.
- D. "Non-gaming Supplier" means a contractor, individual or firm who provides goods, supplies, materials, equipment or services which are not Gaming goods, supplies, materials, equipment or services, the annual aggregate cost of which is less than \$24,999.99.
- E. "Vendor" shall mean a Gaming Supplier or Limited Gaming Supplier.
- F. "Substantial Owners" of any business entity shall mean each owner, partner, officer, director, stockholder and/ or Chairperson of the business entities Board of Directors owning ten percent (10%) or more interest in the business entity.
- G. "Publicly Held Company" A company whose shares of common stock are held by the public and are available for purchase by investors. The shares of publicly traded firms are bought and sold on the organized exchanges or in the over-the-counter market. Such companies are regulated by the SEC.
- H. "Key Personnel" of any business entity shall mean any person(s) that will be responsible for on-site supervision or management. or individuals which will have access to sensitive areas within the casino being onsite or remote access.



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**III. GAMING SUPPLIER LICENSE REQUIRED.**

**Section 1.** Any individual(s) and/or business entities doing business with a Gaming Enterprise and meeting either of the following criteria must apply to the Mille Lacs Band Gaming Regulatory Authority for a Vendor license:

- A. Any Vendor who provides Gaming goods, supplies, materials, equipment or services, regardless of annual aggregate cost, or
- B. Any Vendor whose annual aggregate cost is \$25,000.00 or greater.

**Section 2.** Any Non-gaming Suppliers doing business with a Gaming Enterprise and meeting the following criteria must apply to the Mille Lacs Band Gaming Regulatory Authority for a Vendor Number:

- A. Any Vendor whose annual aggregate cost is \$24,999.00 or less.

**Section 3.** A Vendor must possess a valid Vendor license or vendor number before conducting business with a Band Gaming Enterprise.

**Section 4.** In particular, a Vendor license shall be required for the following types of business activities (this list is not inclusive):

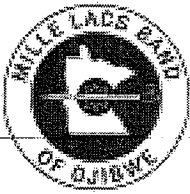
- A. Procurement of materials;
- B. Supplies and Equipment, including maintenance and repair;
- C. Marketing Services;
- D. Financing of Gaming Facilities;
- E. Clothing, Uniforms and Laundry Services or Suppliers;
- F. Auto/Motorcycle Dealerships
- G. Supplies for resale within the Gaming Enterprise, and;
- H. Any contracted services that use their own employees (i.e. check-cashing services, food and beverage operations, daycare facilities).
- I. Any other person or entity supplying goods or services (on an annual basis) to a Band Gaming Enterprise.

**Section 5.** No Band Gaming Enterprise shall purchase goods or services covered by these regulations from a person or entity that does not hold a Vendor license or vendor number issued by the Mille Lacs Band Gaming Regulatory Authority (“GRA”) Board unless the entity is exempt under DGR 7a Part IV.

**IV. EXEMPTION FROM LICENSING REQUIREMENT.**

**Section 1. Exempt Vendors.** The following person(s) or entities shall be exempt from the Vendor licensing requirements:

- A. Professional Legal and Accounting Services including licensed and certified auditors, attorneys, CPA’s, payroll processing services and inventory services;
- B. State or Federally Chartered Financial Institutions;
- C. Insurance Companies (state-regulated);
- D. Law Enforcement Agencies;
- E. Utility Providers (including telecommunication providers, electrical, water, sewer, septic, gas, utility inspections, locating services, utility system installation or maintenance services.) Garbage services are not considered utilities;
- F. Fuel for Gaming Enterprise owned vehicles;



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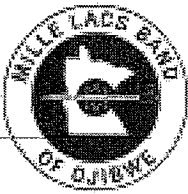
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- G. Exhibit Costs i.e.: drayage, booth space and costs.
- H. Professional Entertainers and Entertainment Services (whether on site or off site including all public accommodations and related food services i.e. professional entertainer, sports figure, celebrity engaged to appear at a casino-sponsored special entertainment or promotional event, professional sports teams and their designated arenas, college sports teams, entertainment facilities, theaters, concerts, and plays);
- I. Medical Services and supplies;
- J. Training and Educational Services and training materials;
- K. Travel-Related Services (travel agencies, lodging, air, vehicle rental, food, etc.);
- L. Financing by State or Federally Chartered Institutions;
- M. Tribal government(s);
- N. Corporate Commission owned band businesses until the business has transferred ownership to a private party.
- O. Federal, State and Local Government Agencies;
- P. Nonprofit Organizations including chambers of commerce, civic groups, tourism organizations;
- Q. Sponsorships and professional memberships.
- R. Off-Site Courier and Shipping Services;
- S. All Magazines, Periodicals, Publications, and Newspaper Providers and subscriptions to include advertising in all;
- T. Gifts for Associate events; and
- U. Entities providing emergency goods and services. Emergency goods and services are those which are required to protect the health or safety of the patrons, occupants and employees of the Gaming Enterprises or a mitigating circumstance (i.e. Gaming Enterprise purchases a business with existing contracts) for which it would be impractical to obtain a Vendor License. Notification to the Executive Director, Office of Gaming Regulation and Compliance is required with the use of emergency goods and services.

**Section 2. Non-gaming suppliers.** Suppliers whose business with a Gaming Enterprise has aggregate annual cost of less than \$25,000.00 are not required to obtain a license but are required to get a vendor number and supply their contact information on the prescribed New Vendor Sheet and their W-9.

**Section 3. Suitability.** All licensed Gaming Suppliers must maintain suitability for licensure during the entire term of the any license issued by the GRA Board. Failure to do so may result in suspension, revocation, restriction, or non-renewal of a Gaming Supplier or Vendor license.

**Section 4. Intent to Provide Services.** The Gaming Regulatory Authority (“GRA”) Board shall not process an application for a Vendor’s License unless each Band’s Gaming Enterprise or the Corporate Commission’s assigned departments or designee responsible for the purchases of the Gaming entities, forward to the OGR&C Vendor Licensing Department a completed New Vendor Information Sheet on a form prescribed by the Authority and a W-9 for the vendor, whenever the Gaming Enterprises and/or Corporate Commission intends to do business with a



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Vendor which will supply goods or services who is not currently listed on the Vendor database maintained by the OGR&C Vendor Licensing Department.

**Section 5. Required Information.** The applicant's Key Person(s), Substantial Owners, and other persons for whom background information is deemed necessary by the GRA Board (to ensure that the Board meets its mandatory regulatory responsibilities) must complete a Personal Disclosure and Authority to Release form prescribed by the GRA Board.

**Section 6. Vendor Standards.** A Vendor licensed by the GRA Board shall not distribute gaming supplies that do not conform to the standards for gaming supplies set forth in these regulations and other applicable law.

**V. APPLICATION AND LICENSE FEES.**

**Section 1. Application Fees Payable to MLB.** All Vendor application fees must be submitted to: Vendor Licensing, Office of Gaming Regulation and Compliance, 700 Grand Avenue, Onamia, MN 56359. Checks should be made payable to the Mille Lacs Band of Ojibwe.

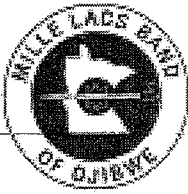
**Section 2. Fee Categories.** The following fees shall apply to all Vendor licenses issued by the GRA Board. These fees may be modified by the GRA Board, but any new licensing fees shall be subject to the posting and comment requirements described in 15 MLBSA § 305(b).

- A. \$15.00 application fee (One-time fee due upon original application)
- B. Class A Vendor (Gross Sales in Excess of \$100,000)  
\$250.00 license fee plus license investigation fees  
(50% discounted license fee for Band member owned businesses.)
- C. Class B Vendor (Gross Sales \$25,000-\$100,000)  
\$150.00 license fee plus additional license investigation fees  
(50% discounted license fee for Band member owned businesses.)
- D. Class C Vendor (Gross Sales of \$0-\$24,999)  
\$15.00 license fee  
(50% discounted license fee for Band member owned businesses.)

**Section 3. Reports.** Monthly the Corporate Commission shall prepare reports for all Vendors (including those vendors that would fall under DGR 7a Part IV) and submit them to the OGR&C Vendor Licensing Department that include the following information:

- A. Name;
- B. Address
- C. EIN number; and
- D. Year to date and Monthly totals.

**Section 4. Background Investigation Costs.** All application and license fees will be used to conduct Vendor background investigations. For Class A and B Vendors, an additional license investigation fee may be assessed to the extent that the cost of a background investigation exceeds the application and license fees established in DGR 7a Part V Section 2. The Executive Director of the Office of Gaming Regulation and Compliance (OGR&C) shall invoice the vendor with such additional fees, documenting the additional investigative expenses that necessitate the additional fee. The Executive Director, at his/her discretion, may refuse to issue a suitability determination or Compliance Recommendation for a Gaming Supplier or Vendor license applicant until all such fees have been paid in full.



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**Section 5. License Fees Payable to MLB.** All Vendor license fees must be submitted to: Vendor Licensing, Office of Gaming Regulation and Compliance, 700 Grand Avenue, Onamia, MN 56359. Checks should be made payable to the Mille Lacs Band of Ojibwe.

**Section 6. Term of Vendor License.** Vendor Licenses shall be valid for a period of one (1) year from the date of issue. Each Vendor may renew their license annually by paying the required annual license fee, and submitting the update information required by DGR 7a Part IV Section 2.

**VI. VENDOR LICENSE APPLICATIONS.**

**Section 1. Implied Conditions of Application.** All applicants for a Vendor license must complete and submit the written application forms prescribed by the Authority.

- A. Any misrepresentation or omission made with respect to an application may be grounds for denial of the application.
- B. Pursuant to 15 MLBSA § 307(d) & (e), all Band gaming licenses are a privilege, and any and all applicants assume and accept the risk of adverse publicity, notoriety, embarrassment, criticism, or other action that may result in connection with the application process.
- C. All application materials shall include a notice to the applicant stating that the applicant expressly waives any claim for damages that may result from the application process.

**Section 2. Application Requirements.**

- A. All applicants must submit a fully completed copy of the application and requested materials.
- B. The applicant's Key Persons, Substantial Owners, and other officers or employees as designated by the GRA Board shall complete and submit a Personal Disclosure Form prescribed by the Authority. Substantial Owners, and other officers or employees do not have to submit a Personal Disclosure if they are a Publicly owned company and NOT a Gaming Supplier.
- C. The OGR&C shall only consider a Vendor license application filed when all application forms, including all required documents, all personal disclosure forms, associated materials, and application and license fees have been properly submitted. The OGR&C will not initiate a Vendor background investigation until the required information, application and license fees has been received by the OGR&C.
- D. All Vendor license applicants have a continuing duty to disclose any changes in the information submitted to the OGR&C that may have a material effect of the GRA Board's consideration of the applicant's suitability for a license.
- E. For any Vendor doing business with a Gaming Enterprise or otherwise subject to the provisions of these Regulations, the Vendor License Application shall require the following information and documentation on forms prescribed by the Authority:
  - 1. The type or classification of goods or services that the applicant proposes to supply to the Gaming Enterprise.
  - 2. The Fee category based on the aggregate Gross Sales over the past year or expected Gross Sales expected for the upcoming year for New Vendors.
  - 3. Type of company submitting application and clarification if company is privately held or a public company.
  - 4. Companies full name as registered on their tax identification number.
  - 5. Name of individual completing the vendor licensing application.



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6. Companies address and contact information. Compliance contact required for all gaming suppliers.
7. Federal Identification Number, Tribal or State taxpayer identification number, or Social Security Number (for individuals, sole proprietorships, etc.).
8. Agreements/Contracts entered into, or terms and conditions negotiated between the applicant and the Gaming Enterprise.
9. Corporate, partnership and business information regarding the applicant's Substantial Owners.
10. A complete list of the applicant's Key Personnel and Substantial Owners.
11. A list of all jurisdictions that have issued Gaming Supplier, Gaming Vendor or any other gaming-related license(s) to the applicant(s).
12. History of any litigation involving the applicant, the applicant's Key Personnel and Substantial Owners.
13. "Publicly Held Company" shall provide a copy of the United States Securities and Exchange Commission latest filing of Form 10-Q and 10-K.
14. Details of any disciplinary action initiated by a regulatory agency concerning the applicant's Substantial Owners or Key Personnel.
15. Details of any denial, restriction, suspension, revocation, or nonrenewal of a license or certificate held by the applicant or the applicant's Substantial Owners.
16. Any current financial information requested by the Authority.
17. W-9.
18. Copy of Certificate of Liability Insurance for companies performing any work on site unless otherwise directed by the Gaming Regulatory Authority.
19. Signed and notarized Authority to Release form prescribed by the Authority for the following:
  - (a) Vendor and/or Business Entity;
  - (b) Substantial Owner(s); and
  - (c) Key Personnel.
20. Any other information or documents that the OGR&C determines to be necessary to ensure the applicant meets the criteria for licensure under these Regulations.

**Section 3. Records Retention.** The OGR&C shall retain a copy of all Vendor background and licensing files for a minimum of five (5) years.

**Section 4. No Withdrawal Once Application Submitted.** An applicant for a Vendor license may not withdraw the application once it has been fully submitted to the OGR&C without permission of the GRA Board. The GRA Board may grant such permission only if it has not yet issued a Compliance Determination regarding the license application.

**VII. LICENSING PROCEDURES.**

**Section 1. Procedures for Vendor License.** The Authority will adhere to the following procedures in the issuance of any Vendor's license:

- A. Submission of a completed application.
- B. Background and other applicable investigation(s) regarding the applicant.



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- C. Any additional licensing procedures determined necessary by the OGR&C to ensure compliance with applicable laws.
- D. Compliance Recommendation by the Executive Director of OGR&C.
- E. Compliance Determination by the GRA Board.
- F. If applicable, issuance of a Vendor's license by the Authority.

**VIII. VENDOR CRITERIA FOR LICENSE.**

**Section 1. General Criteria.** The Authority shall review each applicant's prior activities, criminal record, if any, and reputation, habits and associations to make a finding concerning the eligibility for a Vendor's license. No license shall be issued to a person or entity that poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming.

**Section 2. Age Requirement.** Any applicant for a Vendor license (or any of the applicant's Substantial Owners) must be at least twenty-one (21) years of age.

**Section 3. Skill Level Required.** The applicant and the applicant's Substantial Owners must demonstrate a level of skill, experience, knowledge and ability necessary to supply the goods or services the applicant intends to supply.

**Section 4. Background Investigations.**

- A. **Review Required.** Each applicant required to hold a Vendor license pursuant to this regulation shall be subject to a comprehensive background review prior to licensing. Such review shall be conducted by the Executive Director of the Office of Gaming Regulation and Compliance or a designee, and shall include an examination of such applicant's prior activities, criminal record, if any, and reputation, habits and associations so as to permit the Executive Director (or designee) to determine the applicant's eligibility for licensing.
- B. **Violations of Gaming Laws; Other Jurisdictions.** The applicant or the applicant's Substantial Owners or Key Personnel must not have been convicted of any gaming law violation in any jurisdiction. Nor may any such persons appear on the exclusion list in any jurisdiction for having violated a gaming law or rule.
- C. **Felony Convictions.** The GRA Board shall not license any applicant including the applicant's Substantial Owners or Key Personnel who has been convicted (date of final disposition) of a felony within the ten (10) year period preceding application for the following crimes:
  - 1. Embezzlement;
  - 2. Fraud;
  - 3. Bribery;
  - 4. Tax evasion;
  - 5. Theft and/or larceny;
  - 6. Bankruptcy fraud;
  - 7. Insider trading;
  - 8. Computer crime;
  - 9. Public corruption;
  - 10. Identity theft;
  - 11. Environmental crime;



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12. Pension fund crime;
  13. RICO crimes;
  14. Consumer fraud;
  15. Securities fraud;
  16. Financial fraud; and/or
  17. Any criminal conviction that the GRA Board feels poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming.
- D. Eligibility Determination. The Executive Director or designee shall review the results of all background investigative reports above to determine:
1. If the information in the reports conflict in any way with the information provided on the Vendor's application and/or personal disclosure form(s);
  2. If the information in the reports violate the standards contained in this regulation;
  3. If reliable information is received that licensing of a Vendor poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming; and
  4. If the information in the reports creates or enhances the danger of internal theft or fraud. For the purposes of this subsection, the Executive Director shall consider the nature of the license applied for to determine the nature of any potential threat to Band assets.
- E. Suspension/Revocation of License.
1. The Executive Director may suspend and/or revoke any Vendor license issued if the Executive Director determines that the background investigation has revealed reliable information that the applicant is unsuitable for licensure or the OGR&C or a member of the GRA Board receives reliable information indicating that a Vendor is not eligible for continued licensure. If the Executive Director suspends and/or revokes a Vendor license, the Executive Director shall send written notice to both the applicant and the Gaming Enterprise that signed the statement of intent/contract.
  2. The Executive Director shall immediately forward, as a Compliance Recommendation, the application to the GRA Board for any Vendor applicant whose license has been suspended.
  3. The GRA Board may, at its discretion, place restrictions or conditions on a Vendor's license. The applicant may be compelled to comply with these restrictions or conditions as a condition of licensure. Such restrictions may include (but not be limited to):
    - (a) That the Vendor begins supplying a Band Gaming Enterprise within a reasonable period of time.
    - (b) That the Vendor demonstrate to the GRA Board's satisfaction that the goods or services that the licensee intends to provide to a Band Gaming Enterprise are in compliance with the Band's Gaming Regulatory Act and any regulations promulgated pursuant thereto, the Compact and applicable federal laws, if any, and that such compliance ensures the honesty and integrity of gaming within the Band's jurisdiction.



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(c) That the licensee has adequate insurance, as determined by the GRA Board in accord with DGR 7a Part X.

4. Any Vendor that has a license suspended and/or revoked may not provide goods or services to any of the Band's Gaming Enterprises pending the final outcome of a Determination Hearing before the GRA Board or Final Order from the Court of Central Jurisdiction.

**Section 5. Emergency Enforcement Orders.** If the Executive Director finds that the licensee is an immediate threat to Band assets, or that probable cause exists to believe that a crime has been, or is about to be committed, the Executive Director may, by Emergency Order, immediately impose any legitimate regulatory enforcement and/or corrective action within the scope of the GRA's authority which is proportional to the harm such Emergency Enforcement Order seeks to remedy. Pursuant to this standard, the Executive Director may require the immediate removal (and restriction against reentry) of a licensee from a Band Gaming Enterprise, pending the outcome of a Compliance Determination hearing or Final Order from the Court of Central Jurisdiction, as appropriate. All Emergency Enforcement Orders shall comply with the requirements found in 15 MLBSA § 402(c), and be supported by a Compliance Recommendation.

**Section 6. Other Applicable Licenses.** Any Vendor applicant that intends to supply a Band Gaming Enterprise with alcoholic beverages or other goods or services requiring an additional permit or certificate from any tribal (i.e. MCT liquor license), state or federal agency shall be responsible for securing such permit or certificate in a timely manner.

**Section 7. Compliance with Tax Laws.** The applicant or the applicant's Substantial Owners must be in compliance with all tribal, state and federal tax laws.

**Section 8. Additional Standards.** An applicant must meet any other standards deemed necessary by the GRA Board to ensure compliance with the Band's Gaming Regulatory Act and any regulations promulgated pursuant thereto, and to ensure the honesty and integrity of any gaming conducted within the jurisdiction of the Mille Lacs Band.

**IX. PROCEDURES FOR ISSUANCE OF LICENSE**

**Section 1. Compliance Determination.** If the GRA Board makes a Compliance Determination that the applicant has met the test of suitability for a Vendor's license, the GRA Board will direct the Executive Director to issue to the applicant a Vendor's license.

**Section 2. Negative Compliance Determination.** If the GRA Board makes a Compliance Determination that the applicant is unsuitable to receive a Vendor license, it will direct the Executive Director to so notify the applicant by personal delivery or certified mail.

**Section 3. Reapplication for a Denied License.** A person or entity whose application for a Vendor's license has been denied may not reapply for a period of one year from the date of last Compliance Determination. The GRA Board may, at its discretion, permit reapplication prior to the expiration of one year if the applicant can demonstrate to the GRA Board's satisfaction that the reason the original application was denied no longer exists.

**X. VENDOR INSURANCE REQUIREMENTS**



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**Section 1. Minimum Amount.** Based on its analysis of the applicant's corporate or business size and amount of potential risk to the Band's Gaming Enterprises, the GRA Board may require all Vendor license applicants to provide proof of a minimum amount of insurance.

**Section 2. Types of Insurance Required.** At the GRA Board's discretion, a Vendor licensee may be required to carry any or all of the following types of insurance:

- A. Liability;
- B. Casualty;
- C. Capital loss;
- D. Fire;
- E. Theft;
- F. Worker's Compensation;
- G. Any other type of insurance deemed necessary by the GRA Board to ensure that the Gaming Supplier or Vendor licensee is adequately insured.

**Section 3. Failure to Provide Insurance Information.** If the applicant fails to provide proof of sufficient insurance coverage in a timely manner (within thirty (30) calendar days), the GRA Board may revoke or withdraw the applicant's Vendor license or deny the issuance of a Vendor license.

**Section 4. Duty to Maintain Level of Insurance Coverage.** Any Vendor licensee mandated to carry insurance coverage is under a continuing duty to maintain the minimum amount of coverage determined by the GRA Board.

**XI. CONTINUING LICENSE REQUIREMENTS**

**Section 1. Information Provided.** All Vendor licenses shall be on forms prescribed by the Authority.

**Section 2. Replacement Fee.** All Vendors will be required to pay a fifteen dollar (\$15.00) replacement fee (payable to the Mille Lacs Band of Ojibwe) for any license that is lost, stolen or destroyed.

**Section 3. Annual Renewal Requirements.** Each Vendor License must be renewed annually, subject to the annual fees described DGR 7a Part V. No renewal application will be processed absent payment of the annual license fee.

- A. Each applicant for renewal must complete the annual Vendor Update form prescribed by the Authority and any additional information or documents the OGR&C determines to be necessary to ensure the applicant meets the criteria for licensure under these Regulations.
- B. The OGR&C may, at its discretion, perform an additional background investigation for any Vendor license renewal, and assess reasonable costs for such additional investigations to the applicant. The OGR&C will provide to the Vendor at least sixty (60) days notice before the expiration of their license.

**Section 4. Additional Duties/Prohibitions.**

- A. All Vendor licensees have a continuing duty to maintain suitability for licensure. The Authority may refuse to renew a Vendor's license any time the GRA Board finds that the licensee no longer meets the Vendor licensing criteria pursuant to these regulations.
- B. If management at any Band Gaming Enterprise becomes aware that a Vendor is, or may be, in violation of the Band's Gaming Regulatory Act and/or the regulations promulgated



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pursuant thereto, the General Manager at the affected Gaming Enterprise shall be responsible for notifying the Authority immediately.

- C. All Vendor licensees have a continuing duty to notify the OGR&C of any changes to the information the licensee submitted as part of the application process. Failure to do so may constitute sufficient grounds for licensing action, up to and including license revocation.
- D. No Vendor licenses may be transferred.

**XII. RIGHT TO APPEAL**

**Section 1. Who May Appeal.** Pursuant to 15 MLBSA § 501, a Vendor who has been denied reversal of an adverse Compliance Recommendation from the Executive Director or denied other relief requested from the GRA Board in its Compliance Determination may appeal such Compliance Determination or final enforcement order to the Court of Central Jurisdiction. For additional information, see DGR 2: Gaming Regulatory Board Appeal Policies.

**Section 2. Appeal Directly to Tribal Court.** A person who has received a Compliance Recommendation that recommends a license denial, suspension or revocation may appeal directly to the Court of Central Jurisdiction, as found at DGR 2: Gaming Regulatory Board Appeal Policies and 15 MLBSA § 501.

**Section 3. Limitations on Actions.** Pursuant to 15 MLBSA § 311(d), all Vendor claims involving denial, suspension or revocation of a gaming license shall be limited to an award of specific performance of granting or reinstating such license. No monetary award may be awarded on a license claim.

**History.** Approved by Band Assembly on July 26, 2005.

Changes to I section 1 Scope; Changes to I section 2 Definitions; Changes to I section 3 Gaming Supplier License; Changes to I section 4 Exemption from Licensing; Changes to II section 2 Fee Categories; Changes to II section 5 Term of Vendor License (title); Changes to III Vendor License Applications (title); Changes to III section 2 Application Requirements; Changes to IV section 1 Procedures for Vendor License; Added V section 4 (C) Felony Convictions; Added V section 4 (D) Eligibility Determinations; Added V section 4 (E) Suspension/Revocation of License; Added V section 5 Emergency Enforcement Orders; Changes to VII Vendor Insurance Requirements (title); Changes to VII section 3 Failure to Provide Insurance Information; and Changes to VIII section 3 Annual Renewal Requirements approved by the Gaming Regulatory Authority on May 8, 2007. Effective Date May 8, 2007.

Changes to I. Changes to formatting where applicable; Changes to II. Changes to formatting where applicable  
Section F: Added “officer, director, stockholder” and “owning ten percent (10%) or more interest in the business entity.” Section G: Added “Publicly Held Company: A company whose shares of common stock are held by the public and are available for purchase by investors. The shares of publicly traded firms are bought and sold on the organized exchanges or in the over-the-counter market. Such companies are regulated by the SEC.” Section H: Added “or individuals which will have access to sensitive areas within the casino being onsite or remote access.”; Changes to III Changes to formatting where applicable, Section 2: Added: “Any Non-gaming Suppliers doing business with a Gaming Enterprise and meeting the following Criteria must apply to the Mille Lacs Band Gaming Regulatory Authority for a Vendor Number.” Section 2 (A) Added: “any Vendor whose annual aggregate cost is \$24,999.00 or less.”, Section 3: Added: “or vendor number”, Section 4 (H): Added: “daycare facilities., Section



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4(I): Deleted: “Unless specifically included on the exemption List (Section 4), a”, Deleted: “Each Band’s Gaming enterprises or the Corporate commission, at the corporate Commission’s discretion shall forward to the OGR&C Vendor Licensing Department a New Vendor Information sheet on a Form Prescribed by the Authority whenever the Gaming Enterprises and/or corporate Commission intends to do business with a Vendor who is not currently listed on any of the Vendor lists maintained by the OGR&C Vendor Licensing Department.” This information was moved to IV. , Section 4 Intent to Provide Services., Section 5: Add: “or Vendor Number”; Changes to IV Changes to formatting where applicable, Section 1 (E): Added: “Garbage services are not considered utilities”, Section 1 (F): Added: “Gaming Enterprise owned”, Section 1 (G): Added: “Exhibit costs i.e.: drayage, booth space and costs., Section 1 (H): Added:”Professional” and “professional entertainer, sports figure, celebrity engaged to appear at a casino-sponsored special entertainment or promotional event,”, Section 1 (I): Replaced word “suppliers” to “supplies” , Section 1 (J): Added: “and training materials”, Section 1 (N): Added: “Corporate Commission owned band businesses until the business has transferred ownership to a private party.”, Section 1 (Q): Added: “Sponsorships and professional memberships.”, Section 1 (S): Added: “to include advertising in all”, Section 1 (U): Added: “or a mitigating circumstance (i.e. Gaming Enterprise purchases a business with existing contracts)”, Section 2: Added: “but are required to get a vendor number and supply their contact information on the prescribed New Vendor Sheet and their W-9.”, Section 3: Deleted: Waiver Requests. Vendors currently doing business with one or both of the Band’s Gaming Entities prior to the adoption of these regulations may request a waiver of some and/or all of the Vendor licensing requirements provided that: A. The Vendor currently has a long term contract with one or both of the Gaming Entities; B. The Gaming entity has an existing maintenance agreement with a Vendor that would be voided if the Gaming entity changed the maintenance services to another vendor; a. The Corporate Commissioner shall submit such requests in writing to the GRA Board: iThe GRA Board will review all requests for waivers to determine if granting the waiver would pose a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming., ii. The GRA Board will grant or deny the waiver by issuing a Compliance Determination., iii. No Waiver requests will be accepted for Gaming Suppliers or Limited Gaming Suppliers., iv. This waiver will only be effective for a period of one year from the time of adoption approved by the Gaming Regulatory Authority on August 19, 2010. Effective Date August 19, 2010.