

**SEMINOLE NATION OF
OKLAHOMA**

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SEMINOLE NATION GAMING AGENCY

(AN INDEPENDENT REGULATORY AGENCY OF THE SEMINOLE NATION)

GAMING AGENCY

Glenn Sharpe
Commissioner

Willis Deatherage
Commissioner

Lester Billie
Interim Chief Gaming
Regulator

GAMING REGULATION NO. 3

A REGULATION CREATING CHAPTER 3 Penalty for Notice of Violation; Section 3-1-1 through 3-1-7 delineating categories of violations (NOV) and the penalties therefore enacted by the Seminole Nation Gaming Agency.

BE IT ORDANED BY THE SEMINOLE NATION GAMING AGENCY AN INDEPENDENT REGULATORY AGENCY OF THE SEMINOLE NATION OF OKLAHOMA AS FOLLOWS:

Chapter 3 entitled “Notice of Violation and Penalties”, as follows:

SECTION:

3-1-1 Purpose

3-1-2 Scope;

3-1-3 Violation Classification;

A. Class A. Violations.

B. Class B. Violations.

C. Class C. Violations.

3-1-4 Application of Policy/Limitations Period;

3-1-5 Penalty Schedule;

3-1-6 Penalty Assessment/Application of Penalty Amount;

3-1-7 Progressive Discipline and Due Process for Enforcement Action.

3-1-1 Purpose: The penalties contained herein are adopted pursuant to the provisions of Title 15 of the Seminole Nation Code of Laws and in compliance with 25 U.S.C. §2710 (b) (2) (e) of IGRA; and 25 C.F.R. Part 559 wherein SNGA is charged with the responsibility of protecting the public gaming assets of the Seminole Nation and to ensure the fairness of the gaming environment.

The Regulatory functions of SNGA centers around acts of non-compliance with the regulatory system of internal controls i.e. National Indian Gaming Commission (NIGC), Minimum Internal Controls (MICS), Tribal Internal Controls (TICS) and/or provisions of the Tribal-State Compact along with directives issued by the SNGA Chief Gaming Regulator.

This purpose of this Regulation is to provide mandatory guidance to the Seminole Nation Gaming Enterprise (SNGE) management and employees and employees of the Seminole Nation Gaming Agency (SNGA).

The responsibility for training and ensuring that employees of the gaming establishments are performing their duties in compliance with all applicable internal controls, laws, rules, and regulations adopted by the SNGA is vested in Seminole Nation Enterprise.

The responsibility for training and ensuring that all SNGA employees are performing their duties in compliance with all applicable internal controls, laws rules and regulations adopted by the SNGA is vested in the Chief Gaming Regulator.

3-1-2 Scope: The provisions of this Regulation shall apply equally to every employee of the Seminole Nation Gaming Enterprise and Seminole Nation Gaming Agency, gaming management, vendors, and patrons, as applicable.

(A). All incidents indicating the commission of a criminal act under Tribal, Federal, or State law as adopted in the Tribal-State Compact may have occurred in the jurisdiction of any gaming establishment, shall be immediately reported to the appropriate law enforcement agency and Seminole Nation Lighthorse.

(B). All violations of Seminole Nation Laws, Seminole Nation Gaming Agency's rules and regulations including directives from the Seminole Nation Gaming Agency, Chief Gaming Regulator or the SNGA Gaming Commissioners, which are not provided for in the Criminal Code, shall constitute a Civil Violation whereby the offenders shall be subject to the sanctions and enforcement provisions contained within this regulation.

3-1-3: Violation Classification: Three Penalty Categories are hereby established for non-compliance with the Nation's Laws, Rules, and Regulations as follows::

- a) Class A Violation – **Serious** \$10,000 - \$25,000

Class A Violations are characterized as the most serious because the violations expose the gaming facility to criminal and civil liability as well as compromising the financial, health, safety which may compromise the financial integrity of the Nation's Gaming Industry and its employees.

- b) Class B Violation – **Major** \$5,000 - \$9,999

Class B Violations are characterized as major violations because the violations include repeated willful non-compliance and/or repeated willful violations of the adopted MICS, TICS, Laws, Rules and Regulations.

- c) C Violation – **Minor** \$1 - \$4,999

These violations are characterized as minor violations because the violations involve first time offenders who are in non-compliance and/or in violation of the adopted MICS, TICS, Laws, Rules and Regulations. Class C penalties are subject to appeal pursuant to the provisions of Title 15 Section 110 of the Seminole Nation code of laws.

3-1-4: Application of policy/limitations period:

- a) The Chief Gaming Regulator must prosecute any NOV within Six (6) months from the date of issuance or the same will be dismissed.
- b) It shall be unlawful to violate SNGA Standard Operation Procedures, Title 15 of the Seminole Nation Code of Laws, SNGA Rules and Regulations and , NIGC Rules and Regulations, Tribal State Compact, Tribal Internal Control Standards, Surveillance Polices and Procedures.
- c) Violators of the Seminole Nation of Oklahoma Public Gaming Act of 2011 shall be subject to prosecution under the provisions of Title 15, Chapter Three.
- d) Each occurrence of a violation shall constitute a separate and punishable count. A separate violation may all be applied to each machine piece of equipment, computer network and/or system, employee, or gaming establishment. All property used of which may be used in activities in each and every separate violation may become the property of the Seminole Nation.
- e) Pursuant to the provisions of Title 15 individual patrons may be excluded for cause from any facility under the jurisdiction of the SNGA, licenses may be denied, suspended, revoked or limited. In addition to the authority vested in the SNGA the Gaming Enterprise management may enact its disciplinary policy that it may exercise on its employees and/or operations. Any disciplinary action taken by Enterprise does not constitute double jeopardy nor bar the SNGA from prosecuting the same violator

- f) All Class C Violations shall be prosecuted under the provisions of Title 15, Section 110 of the Seminole Nation Code of Laws.

3-1-5 Penalty Schedule:

Penalty Schedule:

Section Reference	Description	Base Penalty	Probationary Period (Months)
	Class A Violation – Serious \$10,000 - \$25,000 Exposes the gaming facility to immediate criminal, financial, health, or safety risks or that compromise the integrity of employees, games or financial accountability of the gaming facility.		
		\$10,000.00	
		\$10,000.00	
		\$10,000.00	
		\$10,000.00	

Section Reference	Description	Base Penalty	Probationary Period (Months)
	Class B Violation – Major \$5,000 - \$9,999 Exposes the gaming facility to unnecessary financial health, or safety risks or that compromise the integrity of the employees, games, or financial accountability of the gaming facility or SNGA.		
		\$5,000.00	
		\$5,000.00	
		\$5,000.00	
		\$5,000.00	

Section Reference	Description	Base Penalty	Probationary Period (Months)
Class C Violation – Minor \$1.00 - \$4,999 Exposes the gaming facility to violations within the Standard Operating Procedures as approved by the SNGA.			
		\$50.00	
		\$50.00	
		\$50.00	
		\$50.00	

3-1-6: Penalty Assessment/Application of Penalty Amount:

When a notice of violation has been deemed final the following factors will be considered when assessing the fine:

- a) Economic benefit of noncompliance – The SNGA Commissioner’s shall consider the extent to which the respondent obtained an economic benefit from the noncompliance that gave rise to a notice of violation, as well as the likelihood of escaping detection.
 - 1. The Chairman may consider the documented benefits derived from the noncompliance, or may rely on reasonable assumptions regarding such benefits.
 - 2. If noncompliance continues for more than one day, the Chairman may treat each daily illegal act or omission as a separate violation.
- b) Seriousness of the violation – The Chairman may adjust the amount of a civil fine to reflect the seriousness of the violation. In doing so, the Commissioner’s shall consider the extent to which the violation threatens the integrity of the Seminole Nation.
- c) History of violations – The Commissioner’s may adjust a civil fine by an amount that reflects the respondent’s history of violations over the preceding three (3) years.
- d) Negligence or willfulness – The Commissioner’s may adjust the amount of a civil fine based on the degree of fault of the respondent in causing or failing to correct the violation, either through act or omission.
- e) Good Faith – The Commissioner’s may reduce the amount of a civil fine based on the degree of good faith of the respondent in attempting to achieve rapid compliance after notification of the violation.

3-1-7: Progressive Discipline and Due Process for Enforcement Action:

1. The following procedure shall be followed by the SNGA when considering the various classes of violations. These are guidelines and may be amended and applied to violations as required on a case by case basis.
 - a) Written Warning: Vendors, Employees of Vendors, SNGA and SNGE may receive a written warning for Class C violations or in the case of a single Class B violation. Repeat violators are subject to a possible fine and/or license suspension depending on the facts and circumstances.
 - b) Fine/License Suspension: Vendors, Employees of Vendors, SNGA and SNGE are subject to a possible fine and/or license suspension depending on the facts and circumstances determined by the Chief Gaming Regulator. A plan of action shall be documented to include time frames with the admonition should there be a subsequent violation(s) within those time frames the violator may be subject a fine or a license suspension.
2. Any license denial, suspension, limitations, or revocations will follow the procedures outlined in the Standard Operating Procedures Licensing Regulations and are subject to the provisions of Title 15 of the Seminole Nation Code of Laws.
3. Any license action or civil fine(s) imposed by SNGA shall be governed by the provisions of Title 15 of the Seminole Nation Code of Laws.
4. Pursuant to the provisions of Title 15 the Chief Gaming Regulator may exclude individual patrons for cause from any facility under the jurisdiction of the SNGA.

PASSED AND APPROVED THIS 18TH, DAY OF MARCH 2013

Willis Deatherage, Chairman SNGC

Glenn J. Sharpe, Vice Chairman SNGC

Cynthia Yerby, Commissioner SNGC