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Chapter CMP.2 Tribal Consumer Financial Services Regulatory Code of the Lac Courte Oreilles Band of Lake Superior Chippewa Indians

Subchapter CMP.2.1 Introduction

CMP.2.1.010 Title

This Code shall be known as the Consumer Financial Services Regulatory Code of the Lac Courte Oreilles Band of Lake Superior Chippewa Indians (hereinafter "Tribe").

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.1.010 was formerly codified as XII LCOTCL §2.101

CMP.2.1.020 Authority

This Code is enacted pursuant to the inherent sovereign powers of the Tribe and in accordance with the Tribe's [Constitution](#).

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.1.020 was formerly codified as XII LCOTCL §2.102

CMP.2.1.030 Findings, Intent and Policy

(a) Findings. The Governing Board of the Tribe finds that:

- (1) The Tribe desires to expedite the development of the Tribe's economy to improve the Tribe's economic self-sufficiency, enable the Tribe to better serve the social, economic, educational, and health and safety needs of its members and visitors, and provide its members with opportunities to improve their own economic circumstances.
- (2) Tribal creation and operation of Consumer Financial Services businesses is a legitimate means of generating revenue to address the aforementioned needs and for pursuing the Tribe's goal of self-sufficiency and self-determination.
- (3) The Tribe has the legal authority to license and regulate Consumer Financial Services businesses within its jurisdiction.
- (4) A properly licensed and regulated Consumer Financial Services industry is consistent with announced federal policy promoting tribal self-government and economic self-sufficiency.
- (5) Tribal regulation and control of Consumer Financial Services businesses within the jurisdiction of the Tribe is essential for the protection of the public welfare.
- (6) It is essential that the Governing Board regulate Consumer Financial Services in a manner commensurate with this Consumer Financial Services Regulatory Code ("Code") and all applicable federal consumer protection law.
- (7) It is essential that public confidence in Consumer Financial Services that originate from the Tribe's reservation or within the Tribe's jurisdiction be maintained.
- (8) Adoption of this Code by the Governing Board is a necessary precondition for the legal operation of Consumer Financial Services originating from the Tribe's reservation or within the Tribe's jurisdiction and is in the best interest of the Tribe.
- (9) Establishment of a Consumer Financial Services Regulatory Authority ("Authority") to implement the purpose and intent of this Code is in the best interest of the Tribe.

(b) Intent. The Governing Board, on behalf of the Tribe, declares that the intent of this Code is to:

- (1) Diversify and expedite the development of the Tribe's economy for the purposes described in [Section CMP.2.1.030\(a\)\(1\)](#).

- (2) Define the general regulatory powers to be exercised by the Authority in relation to the regulation, control, and oversight of Consumer Financial Services.
- (3) Ensure that all net revenue generated by Consumer Financial Services is used for the benefit of the Tribe in accordance with the purposes described herein.
- (4) Ensure that Consumer Financial Services are conducted appropriately by Licensees and remain free from corrupt, incompetent, unconscionable and dishonest practices.
- (5) Protect the interests of the public in the offering of Consumer Financial Services.
- (6) Ensure the maintenance of public confidence in Consumer Financial Services practices.
- (7) Ensure that there is a Tribal government forum for the fair and orderly resolution of Consumer Financial Services disputes, consistent with the preservation of the Tribe's sovereign immunity.
- (8) Ensure that Consumer Financial Services laws and regulations are enforced.

(c) Policy.

(1) Tribal Policy of Self-Government. The Tribe is firmly committed to the principle of Tribal self-government. Revenues from Consumer Financial Services shall be utilized and expended only for the following purposes:

- (2) To fund the Tribe's government operations or programs;
- (3) To provide for the public health and general welfare of the Tribe and its members and visitors to the Tribal community;
- (4) To promote Tribal economic development and self-sufficiency; and
- (5) To donate to charitable organizations.

(6) Consumer Financial Services Policy. The establishment, promotion and operation of Consumer Financial Services is necessary, provided that such Consumer Financial Services are regulated and controlled by the Tribe pursuant to this Code and the revenues of such Consumer Financial Services are used exclusively in accordance with [Section CMP.2.1.030\(c\)\(1\)](#) of this Code.

(7) Responsibility for Regulation. The Tribe shall have the sole proprietary interest in, and responsibility for, the regulation of Consumer Financial Services authorized by this Code.

(8) Consumer Financial Services Authorized. Consumer Financial Services that are subject to licensing under this Code are authorized and permitted only as described in this and any regulations of the Authority adopted under this Code.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.1.030 was formerly codified as XII LCOTCL §2.103

CMP.2.1.040 Effective Date

Except as otherwise provided in specific Sections, the provisions of this Code shall be effective on the date adopted by the Governing Board of the Tribe.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.1.040 was formerly codified as XII LCOTCL §2.104

CMP.2.1.050 Interpretation

(a) The provisions of this Code:

(1) Shall be interpreted and applied as minimum requirements applicable to Consumer Financial Services subject to this Code;

(2) Shall be liberally construed in favor of the Tribe;

(3) Shall not be deemed a limitation or repeal of any other tribal power or authority.

(b) The Authority shall observe the Findings, Intentions, and Policies as provided in [Section CMP.2.1.030](#) of this Code in the exercise of its discretionary powers.

(c) No Person acting, or who has acted, in good faith reliance upon a rule, order, or declaratory statement issued by the Authority shall be subject to any criminal, civil, or administrative liability for such action, notwithstanding a subsequent decision by a court of competent jurisdiction invalidating the rule, order, or declaratory statement.

(d) No Person other than the Person to whom an order or declaratory statement is issued is entitled to rely upon that order or declaratory statement if it is not of general application unless the material facts or circumstances are substantially the same as those upon which the order or declaratory statement was based.

(e) Words of the masculine gender or neuter include masculine and feminine genders and are the neuter.

(f) Words in the present tense include the future and past tenses.

(g) Words in the singular number include the plural, and words in the plural number include the singular.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.1.050 was formerly codified as XII LCOTCL §2.105

CMP.2.1.060 Severability and Non-Liability

If any Section, provision, or portion of this Code is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this Code shall not be affected thereby. Neither the Tribe, its agencies, employees, or agents waive its sovereign immunity from any action or damages that may occur as a result of reliance upon and conformance with this Code.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.1.060 was formerly codified as XII LCOTCL §2.106

CMP.2.1.070 Repeal of Inconsistent Tribal Ordinances

All Tribal laws, ordinances, and resolutions inconsistent with this Code are hereby repealed. To the extent that this Code imposes greater restrictions than those contained in any other tribal law, code, ordinance or regulation, the provisions of this Code shall govern.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.1.070 was formerly codified as XII LCOTCL §2.107

CMP.2.1.080 Sovereign Immunity

(a) Immunity from Suit. The Tribe, the Authority, and any entity formed as an arm of the Tribe and operating according to this Code shall possess all the rights, privileges, and immunities of the Tribe as allowed under Tribal and federal law, including sovereign immunity from suit and unconsented judicial or administrative processes, except as specifically limited by this Code.

(b) No Waiver. Nothing in this Code shall be deemed or construed to be a waiver of sovereign immunity.

(c) No Consent to Jurisdiction. Nothing in this Code shall be deemed or construed to be consent to the jurisdiction of the United States or of any state or of any other tribe.

(d) Waivers of Sovereign Immunity. Only the Governing Board may waive the sovereign immunity of the Tribe, the Authority, or any arm of the Tribe. The Governing Board shall not delegate authority to waive immunity to the Authority or to any Person for any purpose related to Consumer Financial Services.

- (1) Resolution Effecting Waivers. All waivers of sovereign immunity must be preserved with resolutions of continuing force and effect issued by the Governing Board.
- (2) Policy on Waivers. Waivers of sovereign immunity are disfavored and shall be granted only when necessary to secure a substantial advantage or benefit to the Tribe, the Authority or any arm of the Tribe.
- (3) Limited Nature of Waivers. Waivers of sovereign immunity shall not be general but shall be specific and limited, including limits as to duration, jurisdiction, venue, causes of action, relief available, grantee, transaction, and recoverable property or funds.
- (4) Consent to Enforcement Actions and Immunity. A Licensee's sovereign immunity shall not prevent, either by operation or interpretation, Authority investigations, enforcement actions, and Consumer dispute resolution procedures as described in this Code.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.1.080 was formerly codified as XII LCOTCL §2.108

Subchapter CMP.2.2 Definitions

CMP.2.2.010 General Definitions

Any term not defined in [this section](#) shall be given its ordinary meaning. The following terms, wherever used in this Code, shall be construed to apply as follows:

- (a) "**Applicant**" means any Person who has applied for a License under the provisions of this Code.
- (b) "**Application**" means a request for the issuance of a License under the provisions of this Code.
- (c) "**Business Day**" means all calendar days except Saturdays, Sundays, and legal public holidays.
- (d) "**Code**" means this Consumer Financial Services Regulatory Code, Lac Courte Oreilles Band of Lake Superior Chippewa Indians Tribal Code of Law [this chapter](#).

(e) "**Conspicuously Displayed**" means emphasized through the use of capitalization, font size, bold print, underlining, highlighting or some combination thereof.

(f) "**Consumer**" means a natural Person who acquires goods, services, or credit primarily for Personal, family or household purposes. The term does not include a Person who acquires goods, services, or credit primarily for business, commercial, or investment purposes.

(g) "**Consumer Financial Services**" means the business of providing (a) goods, services, or credit to Consumers in transactions subject to this Code in exchange for interest, fees, rent, or other form of consideration originating from the Tribe's Reservation or from within the Tribe's jurisdiction or (b) services directly to a Licensee, the Tribe, or other tribally owned entity when provided from the Tribe's Reservation or from within the Tribe's jurisdiction. Goods, services, or credit to consumers offered by any tribally licensed gaming operator are not Consumer Financial Services.

(h) "**Control**" means the power to vote more than twenty-five percent (25%) of the outstanding voting shares of a licensed corporation, partnership, association or trust, or the possession, directly or indirectly, of the power to direct or cause the direction of the management, operations, policies and practices of a Person, whether through equity ownership, contract, or other means.

(i) "**Controlling Person**" means a Person who has Control or who has the ability to affect one or more significant business decisions of the Licensee or Applicant.

(j) "**Governing Board**" means the Tribal Governing Board of the Lac Courte Oreilles Band of Lake Superior Chippewa Indians, the governing body of the Tribe as defined and described in the Tribe's Constitution and pursuant to Tribal law.

(k) "**Indian lands**" means all lands within the limits of the Tribe's Reservation and all lands, owned by the Tribe, and over which the Tribe exercises governmental power.

(l) "**Installment Loan**" means a Loan made to an individual Consumer that charges interest and/or fees for which the stated repayment period is greater than 60 days but no longer than 5 years and is not secured by title to a motor vehicle.

(m) "**Lease**" means a contract by which a rightful possessor of Personal property conveys the right to use and possess the Personal property in exchange for consideration, e.g., fixed regular payments.

(n) "**Lender**" means a wholly owned economic arm of the Tribe formed or organized by the Tribe and licensed by the Authority to engage in the business of providing Loans to Consumers from the Tribe's Reservation or from within the Tribe's jurisdiction.

(o) "**License**" means the official and legal privilege to engage in certain and specified conduct. A License is issued by the Authority. A License relating to Consumer Financial Services is a revocable privilege subject to revocation in accordance with the Code.

(p) "**Licensee**" means any Person licensed by the Authority.

(q) "**Line of Credit**" means an arrangement between a Licensee and a customer that establishes a maximum Loan balance that the Licensee will permit a borrower to maintain. The borrower can draw down on the Line of Credit at any time as long as he or she does not exceed the maximum set in the agreement.

(r) "**Loan**" means any extension of credit in connection with a Consumer Financial Services transaction.

(s) "**New Merchant Technology Leasing Product**" means a Technology Lease product offering. Lease amounts will be secured by customer collateral consisting of phones, tablets, laptops, and other technology products. Lease payments will be based on pay frequency. The Lease will be a true Lease and there will be no required principal payments by the customer.

(t) "**Person**" means any natural Person, partnership, joint venture, association, trust, firm, estate, club, society, receiver, assignee, trustee in bankruptcy, political entity, company, corporation or other group, however organized, and any owner, director, officer or employee of any such entity or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, business entities that are wholly owned or operated by the Tribe, or any other entity whatsoever. The term does not include the Federal Government, State Government, or any agency thereof, The Tribe, the Governing Board, or any agency thereof including the Authority, or any other tribal government.

(u) "**Reservation**" means all lands identified in Art. I § 1 of the Constitution and also includes any other land set aside and held in trust by the United States over which the Tribe is recognized as having governmental power.

(v) "**Right of Rescission**" means, with respect to any installment Loan, the right to return any amount

borrowed, in full, within the timeframe allotted by this Code, any promulgated regulation, or by any installment Loan agreement, without the incursion of any fee or other charges.

(w) **"Single-payment Consumer Loan"** means a Loan made to a Consumer that is repayable in full on the Consumer's next pay date.

(x) **"Tribe"** means the Lac Courte Oreilles Band of Lake Superior Chippewa Indians.

(y) **"Vendor"** means any Person who engages or seeks to engage in the business of providing services directly to a Licensee, the Tribe, or other tribally owned entity.

[\(Res. No. 2024-23.\)](#)

Prior Codifications

§CMP.2.2.010 was formerly codified as XII LCOTCL §2.201

Subchapter CMP.2.3 Tribal Regulatory Authority

CMP.2.3.010 Establishment and Purpose

The Governing Board hereby charters, creates and establishes the Consumer Financial Services Regulatory Authority ("Authority") as a governmental subdivision of the Tribe. The Authority is charged with the implementation of this Code and regulations promulgated thereunder to ensure fair and equitable treatment of Consumers and to enforce compliance of the Code by Licensees. The Tribe created the Authority to operate on behalf of the Tribe for the benefit of the Tribe and its members and to protect Consumers.

[\(Res. No. 2024-23.\)](#)

Prior Codifications

§CMP.2.3.010 was formerly codified as XII LCOTCL §2.301

CMP.2.3.020 Location and Place of Business

The Authority may maintain its headquarters, principal place of business and office within the Reservation as determined by the Governing Board. The Authority may, however, with a majority vote from the Governing Board, establish other places of business in such other locations as the Authority may from time to time determine to be in the best interest of the Tribe.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.020 was formerly codified as XII LCOTCL §2.302

CMP.2.3.030 Duration

The Authority shall have perpetual existence and succession in its own name, unless dissolved by the Governing Board pursuant to Tribal law.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.030 was formerly codified as XII LCOTCL §2.303

CMP.2.3.040 Attributes

As a governmental subdivision of the Tribe, the Authority is under the direction and control of the Governing Board, and it is the purpose and intent of the Governing Board that the operations of the Authority be conducted on behalf of the Tribe for the sole benefit and interests of the Tribe, its members and residents of and visitors to the Tribe's Reservation.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.040 was formerly codified as XII LCOTCL §2.304

CMP.2.3.050 Assets of the Authority

The Authority shall have only those assets specifically assigned to it by the Governing Board, acquired in its name by the Tribe, or acquired by the Authority on its own behalf. No

activity of the Authority or any indebtedness incurred by it shall implicate or in any way involve any assets of tribal members or the Tribe not assigned in writing to the Authority.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.050 was formerly codified as XII LCOTCL §2.305

CMP.2.3.060 Regulatory Agent(s); Compensation, Duties

(a) Regulatory Agent(s); Term of Office.

(1) The Authority shall be governed by an Agent(s) appointed by the Governing Board. The Governing Board may change the number of Agent(s) by Resolution as it deems necessary.

(2) Agents shall serve seven (7) year terms, commencing upon appointment, or until removed by the Governing Board pursuant to [Section CMP.2.3.090](#).

(3) If more than one Agent is appointed, Agents' terms shall be staggered.

(4) There shall be no limit on the number of times an Agent may be reappointed.

(5) An Agent's term shall automatically renew unless the Governing Board appoints a replacement before expiration of the then-current term.

(b) Compensation. The compensation of the Agent(s) shall be established from time to time by the Governing Board.

(c) Director; Other Officers. The Governing Board shall designate a Director. The Director may establish subordinate officers as needed.

(d) Duties. The Agent(s) shall have the following duties:

(1) Oversee and have responsibility for the day-to-day operations of the Authority, including supervision of Authority employees;

(2) Serve as the agent for service of process;

(3) Conduct or oversee the conduct of any meetings or hearings held by the Authority in accordance with this Code or further directive of the Governing Board;

(4) Monitor Licensees under this Code;

(5) Exercise the powers enumerated in [Section CMP2.3.110](#) as needed and at its discretion.

(6) Perform any other tasks or functions assigned by the Governing Board or not expressly stated within the Code but which are necessary to ensure the Tribe's purposes and policies are met.

(e) Agent Qualifications. Any Person appointed to be an Agent shall meet the

following qualifications:

(1) The appointee shall have expertise, experience, education or a combination thereof in financial services, finance, management, business, governmental regulation, law, and/or Tribal policy.

(2) The appointee shall be at least twenty-one (21) years of age and show proof of high school diploma or equivalent.

(3) No Person shall serve as Agent if:

(A) the Person has been convicted of or entered a plea of no contest to any crime involving breach of trust or dishonesty in any jurisdiction; or

(B) as determined by the Governing Board, the Person's prior activities, reputation, habits or associations pose a threat to the public interest; threaten the effective regulation and control of financial services; or enhance the dangers of unsuitable, unfair, or illegal practices, methods, or activities in the conduct of financial services.

(C) the Person (or the Person's spouse or significant other, parents, children, and siblings) has an ownership, partnership, or other direct financial interest in any Licensee, one of its agents, contractors, or sub-contractors. Upon disclosure, a conflict may be waived by the Governing Body provided the appropriate safeguards are put in place to ensure impartiality.

(D) He/she would not comply with [Section CMP.2.3.080](#) if appointed to the Authority.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.060 was formerly codified as XII LCOTCL §2.306

CMP.2.3.070 Meetings

(a) The Authority shall hold meetings as necessary to fulfill its duties.

(b) The Authority may meet in an Executive Session when necessary to protect confidentiality and privilege.

(c) The Authority shall hold or participate in meetings at least quarterly with the Governing Board.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.070 was formerly codified as XII LCOTCL §2.307

CMP.2.3.080 Prohibited Acts

The Agent and Authority employees shall not do any of the following:

(a) Be indebted to any Licensee, either directly or indirectly, as borrower, accommodation endorser, surety, or guarantor, unless such indebtedness was contracted before becoming employed by or appointed to the Authority and is fully disclosed to the Governing Board.

- (b) Be an officer, director, or employee of any Licensee.
- (c) Have an Economic Interest (as defined in the Tribe's Code of Conduct, [Section MCC.1.5.010](#)) in any License.
- (d) Accept any Gifts, Awards, Loans, or Reimbursements (as Tribe's Code of Conduct, [Section MCC.1.5.030](#)) from any Licensee (or any officer, director, or employee of any Licensee); except that an Agent or Authority employee is permitted to receive a pro-rata share of revenue that has been generated by a Licensee and is distributed among all eligible Tribal members by virtue of membership in the Tribe.
- (e) Violate the Tribe's Code of Conduct, [Chapter MCC.1](#) of the Tribal Code of Law.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.3.080 was formerly codified as XII LCOTCL §2.308

CMP.2.3.090 Removal of Regulatory Agent / Vacancy

(a) Removal. An Agent may be removed by the Governing Board for the any following reasons: serious inefficiency; neglect of duty; malfeasance, misfeasance, nonfeasance; misconduct in office; for any of the reasons listed in [Section CMP.2.3.060\(e\)\(3\)](#); or, for any conduct which threatens the honesty and integrity of the Tribe, its financial services, the Authority, or violates the letter or intent of this Code.

(b) Removal Procedures.

(1) Before removal, an Agent shall be granted a hearing before the Governing Board and be given a written notice of the specific charges against him or her at least ten (10) Business Days prior to such hearing.

(2) Any basis for removal must be substantiated by a preponderance of the evidence.

(3) An Agent subject to removal will be given an opportunity to provide evidence rebutting the grounds for their proposed removal before the removal is considered.

(4) A decision of the Governing Board to remove an Agent is final and not appealable.

(c) Vacancy. If an Agent shall die, resign, be removed or for any reason be unable to serve as an Agent, the Governing Board shall declare his or her position vacant and shall appoint another qualified Tribal member to fill the position within thirty (30) days of the vacancy. The term of office of the Person appointed to fill the vacancy shall be for the balance of the unexpired term for the position.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.3.090 was formerly codified as XII LCOTCL §2.309

CMP.2.3.100 Powers of the Authority

The Authority has the power to discharge all duties imposed by this Code and its associated regulations including, but not limited to:

(a) Promulgate, adopt, and enforce regulations and rules furthering the purpose and provisions of this Code.

(b) Examine or inspect, or cause to be examined or inspected, each Licensee at least annually or according to timeframes established by regulation.

(c) Establish procedures designed to permit detection of any irregularities, fraud, or the like.

(d) Receive and act on complaints, take action designed to obtain voluntary compliance with this Code, or commence proceedings on its own initiative.

(e) Establish financial literacy programs.

(f) Upon prior explicit resolution and approval of the Governing Board, to employ such advisors as it may deem necessary at rates to be set by the Governing Board. Advisors may include, but are not limited to, lawyers, accountants, law enforcement specialists and financial services professionals.

(g) Accept, review, approve or deny any Application for a License, including conducting or arranging

for background investigations of all Applicants.

(h) Examine under oath, either orally or in writing, in hearings or otherwise, any Licensee or Person, or agent, officer or employee of any Licensee, or any other witness with respect to any matters related to this Code.

(i) Compel by subpoena the attendance of witnesses and the production of any books, records, and papers with respect thereto. Upon refusal to appear or produce, the Authority may apply to a court of competent jurisdiction to compel appearance or production.

(j) Examine or investigate, or cause to be examined or investigated, the place of business, equipment, facilities, tangible personal property and the books, records, papers, vouchers, accounts, documents and financial statements of any Licensee or Person engaging or participating in, or suspected to be engaging or participating in, Consumer Financial Services to:

(1) ensure compliance with this Code, applicable federal law, or any order of the Authority;

(2) determine whether any Licensee or Person has engaged, is engaging, or is about to engage in any act, practice or transaction that constitutes an unsafe or unsound practice or violation of this Code or any order of the Authority; or

(3) aid in adopting rules or regulations pursuant to this Code.

(k) Discipline any Licensee or Person engaging or participating in Consumer Financial Services in violation of this Code by ordering immediate compliance, issuing fines and sanctions, and suspending or revoking any License pursuant to the hearings and due process required by [Section CMP2.9.030](#) of this Code.

(l) Impose a lien in the amount of any fine or sanction that a Licensee or Person fails to pay upon all assets and property of such Licensee or Person within the Tribe's jurisdiction.

(m) Institute a civil action to recover any fine or sanction that a Licensee or Person fails to pay.

(n) Arbitrate, compromise, negotiate or settle any dispute to which it is a party relating to the Authority's authorized activities, subject to any approval of the Governing Board.

(o) Sue in courts of competent jurisdiction within the United States with the explicit written approval

of the Governing Board.

(p) Impose a schedule of fees, attached hereto as Exhibit A, as applicable for:

(1) the processing, issuance, and renewal of Licenses, including fees or charges associated with conducting background checks;

(2) reasonable examinations of Licensees; and

(3) services rendered relating to transcripts and the furnishing or certifying of copies of proceedings, files, and records.

(q) Establish and maintain such bank accounts as may be necessary or convenient.

(r) Enter cooperative arrangements and to coordinate enforcement activity with other Tribal, Federal, or State regulatory agencies.

(s) Make such findings as may be necessary to implement the Authority's duties and powers, with such findings to be given deference as the legally binding findings of a governmental entity.

(t) None of the powers enumerated in [this section](#) shall be construed to allow the Authority to manage the operations of a Licensee.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.3.100 was formerly codified as XII LCOTCL §2.310

CMP.2.3.110 Annual Budget

The Authority shall prepare an annual operating budget for all Authority activities and present it to the Governing Board no less than thirty (30) Business Days prior to the commencement of each operating year.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.110 was formerly codified as XII LCOTCL §2.311

CMP.2.3.120 Authority Regulations

(a) Regulations may be necessary to carry out the implementation and orderly performance of the Authority's duties and powers. Regulations may include, but shall not be limited to, the following:

- (1) The making of findings or other information required by or necessary to implement this Code;
 - (2) Interpretation and application of this Code, as may be necessary to enforce the Authority's duties and exercise its powers;
 - (3) A regulatory system for overseeing Consumer Financial Services, including accounting, contracting, management and supervision;
 - (4) The conduct of inspections, investigations, hearings, enforcement actions and other powers of the Authority authorized by this Code; and
 - (5) Specification of the amount and the schedule of applicable Licensing and examination fees that shall be imposed by the Authority.
- (b) Promulgation of Regulations. The Authority may promulgate regulations as follows:
- (1) The Authority may propose a regulation at any time. A Licensee may propose a regulation by submitting a written request and draft of the proposed regulation to the Authority.
 - (2) Before promulgating any regulation, the Authority will notify the Tribe and all Licensees of the proposed regulation by publishing notice on the Authority's website or by other means determined to ensure timely notice. Such notification will include a description of the regulation and the reason for its considered implementation.
 - (3) After notice is sent, the Authority will allow a reasonable time for any Licensee to submit written

comments on the proposed regulation that support, oppose, or suggest amendments.

(4) After the comment period has expired, the Authority will either: amend the proposed regulation and allow a new comment period; promulgate and publish the proposed regulation with a separate written response to any comments; or decline to promulgate the regulation. The Authority shall notify the Tribe and Licensees of its decision by publishing notice on the Authority's website or by other means determined to ensure timely notice.

(5) The Governing Board may promulgate or rescind any regulation at any time by majority vote. The Governing Board is in no way bound by [this section](#).

(6) Only regulations promulgated by the Authority in accordance with this procedure or by the Governing Board will be enforceable by the Authority.

(c) Dispute Resolution Regulations. The Authority shall promulgate regulations providing procedures that govern the consumer dispute resolution processes provided in §§ [Section CMP.2.9.030](#) and [Section CMP.2.9.040](#) of this Code.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.3.120 was formerly codified as XII LCOTCL §2.312

CMP.2.3.130 Quarterly Report to the Governing Board

The Authority shall file reports with the Governing Board, either quarterly or as otherwise authorized by the Governing Board, summarizing reports received from each Licensee and additional information necessary to keep the Governing Board fully informed as to the status of the Authority's activities. The Authority shall define by regulation, subject to the approval of the Governing Board, the schedule for the submission of such reports.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.3.130 was formerly codified as XII LCOTCL §2.313

Subchapter CMP.2.4 Licenses

CMP.2.4.010 Applicability

(a) Unless exempt, any entity seeking to engage in Consumer Financial Services subject to this Code shall obtain all required licenses before engaging in Consumer Financial Services. Any exemption to this licensure requirement shall be granted by the Authority or by Governing Board resolution and shall only be granted after a showing of good cause. The following Persons are exempt from all licensing requirements:

- (1) Any Person providing products or services in support of a Licensee not provided directly to the Licensee;
- (2) Any national, state, or tribally chartered bank that is insured by the Federal Deposit Insurance Corporation or any subsidiary thereof;
- (3) Any national, state, or tribally chartered credit union;
- (4) Any Person licensed or otherwise authorized to engage in payment processing, money transmission, tax preparation, or the practice of law;
- (5) Any credit bureau or similar third-party service provider or vendor engaged by a Licensee for purposes of risk assessment or similar pre-origination services.
- (6) Any other federal insured financial institution and any of their subsidiaries; and
- (7) Any employee of the above.

(b) A License is a revocable privilege to do business within the Tribe's jurisdiction.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.4.010 was formerly codified as XII LCOTCL §2.401

CMP.2.4.020 Application Procedure

(a) Submission to Authority. An Applicant seeking a License shall submit an Application to the Authority on such form as the Authority may require and accompanied by any required support materials and applicable fees, the amount of which shall be set by the Authority.

(b) Application Contents. At a minimum, the Applicant shall supply the following information:

(1) Each of the Applicant's Controlling Persons, if applicable; and

(2) For each natural Person identified on the Application, the name, mailing address, telephone number, email address, and other such identification information the Authority deems necessary; and

(3) A brief description on the type and nature of the Consumer Financial Services the Applicant intends to offer; and

(4) The Applicant's creation or incorporation documents, any articles of operation or bylaws, as well as any tax identification numbers; and

(5) For each natural Person identified on the Application, an Applicant shall supply the following information, if any:

(A) Each natural Person's criminal record and an explanation of any crimes for which he has been convicted or to which he or she has entered a plea of no contest, in any jurisdiction; and

(B) Each Person's civil record, identifying any civil suits, administrative proceedings, or regulatory actions in which a judgment has been entered against him or her in any jurisdiction; and

(C) A complete disclosure of any pending or anticipated civil, administrative, regulatory, or criminal action in any jurisdiction against the Applicant or any Person identified on the Application; and

(D) Governing Board Members are exempt from this subsection (e).

(6) The Applicant, and each natural Person identified, shall provide written permission giving the Authority the right to conduct background investigations, including any criminal, civil, and financial records, including credit history searches. Governing Board Members are exempt from this subsection (f); and

(7) A list of all Consumer Financial Services-related licenses the Applicant has ever applied for, in any jurisdiction, whether or not such licenses were issued; and

(8) The disclosure of whether there is a previous contractual relationship with any Indian tribe related to any Consumer Financial Services or similar Consumer financial industry; and

(9) A sworn statement that if the License applied for is issued, the Applicant will submit to the jurisdiction of the Tribe; the Applicant will abide by Tribal law and regulation as well as applicable Federal laws, regulations and policies; and that the information contained in the Application is true and correct to the best of the Applicant's knowledge.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.4.020 was formerly codified as XII LCOTCL §2.402

CMP.2.4.030 Licenses – Review, Issuance and Denial, Term

(a) Generally, Substance, and Classification. Subject to this Code, the Authority may issue Licenses that authorize a Licensee to provide all types of Consumer Financial Services or a limited-purpose License that only authorizes certain types of Consumer Financial Services.

(b) Temporary License. The Authority may in its discretion issue a temporary License after submission of a completed application and a preliminary determination of suitability by the Authority.

(c) Automatic Issuance. A Consumer Financial Services License shall automatically issue if the following criteria are met:

- (1) The Applicant complied with the provisions of [Section CMP.2.4.020](#) of this Code; and
- (2) Within (10) prior years from the date of the Application, no Controlling Person or natural Person identified on the Application has been, in any jurisdiction, convicted of a felony or convicted of any other crime involving breach of trust or dishonesty; been convicted or entered a plea of no contest of any felony or entered a plea of no contest related to any other crime involving breach of trust or dishonesty ; had an order entered by an administrative agency finding conduct that involved fraud, deceit or misrepresentation, or other misconduct related to financial services;; or had a financial judgment ordered in a civil action finding fraud, deceit or misrepresentation, or other misconduct related to financial services; and
- (3) The Consumer Financial Services are authorized pursuant to this Code; and,
- (4) The Consumer Financial Services are authorized by a Governing Board Resolution; and
- (5) The Tribe has the sole ownership interest in the Applicant that will provide the Consumer Financial Services.
- (d) Issuance. Upon completion of any necessary background investigation and/or verifications, the Authority may issue a License on a conditional or unconditional basis. The Authority shall not unreasonably withhold issuance or renewal of a License.
- (e) Denial. The Authority, when it does not license an Applicant shall notify the Applicant in writing, provide the basis for the denial of the License, and otherwise comply with the procedural requirements of as provided in [Section CMP.2.4.040](#) of this Code. The Authority shall have the final word on whether to license an Applicant. Any denial may be appealed as described herein.
- (f) Term. Any License issued pursuant to [this section](#) shall be effective for a period of two (2) years from the date of issuance. A temporary License may be for such period of time as determined by the Authority.
- (g) Display and Format. The License shall be presented as a certificate which shall bear on its face the name of the Licensee, the Tribal Logo, the issue date, the License number, and the applicable classification of the License. Each License shall specify its scope. Each Licensee must display the License number on its Consumer website, if applicable.
- (h) Record Retention. The Authority shall maintain the Applicant's file, including Applications,

background investigation reports, and eligibility determination reports for no less than three (3) years from the date of termination of employment.

(i) Nothing herein creates a property right in a License.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.4.030 was formerly codified as XII LCOTCL §2.403

CMP.2.4.040 Denial, Suspension, or Revocation of License

(a) Denial; Suspension, or Revocation. The Authority shall deny a License or suspend or revoke a License if the Authority finds that an Applicant or Licensee:

(1) Failed to notify the Authority within thirty (30) Business Days after the occurrence of any material development, including, but not limited to:

(A) Bankruptcy or other undertaking of insolvency;

(B) Business reorganization due to insolvency;

(C) The filing of a criminal indictment, civil complaint, or administrative or regulatory action against the Licensee or any of its officers, directors; and/or

(D) A felony conviction against the Licensee or any of a Licensee's officers, directors;

(2) Failed to pay initial Application or renewal fees;

(3) Made a material misstatement or omission on the Application or on any document required to be filed with the Authority or failed to update any Application or any document required to be filed with the Authority;

(4) Withheld or provided incomplete or insufficient pertinent information;

- (5) Is not a Person of honesty, truthfulness, or good character;
- (6) Violated or aided, abetted, or conspired with another Licensee or Person or knowingly caused any Licensee or Person to violate this Code or the rules and regulations of the Authority;
- (7) Participated in unauthorized Consumer Financial Services;
- (8) Knowingly falsified books or records that relate to a transaction connected with the operation of Consumer Financial Services;
- (9) Failed to keep sufficient books and records to substantiate receipts, disbursements, and expenses incurred or paid;
- (10) Failed to take reasonable measures to ensure that an agreement with a Consumer is not materially breached;
- (11) Has been convicted or has entered a plea of no contest in any jurisdiction of any crime involving breach of trust or dishonesty;
- (12) Has had an order entered against it by an administrative agency of any jurisdiction and the order is based on conduct that involved fraud, deceit, or misrepresentation by the Applicant or Licensee;
- (13) Has had a financial judgment ordered against it in a civil action based on fraud, deceit, or misrepresentation while it was a Licensee or Licensee Applicant;
- (14) Employed any Person whom the Licensee knew or should have known was convicted of fraud, theft, or embezzlement, or would otherwise be precluded from licensure;
- (15) Refused to comply with any lawful order, inquiry or directive of the Authority, the Governing Board, or any court or administrative body of competent jurisdiction;
- (16) Attempted to bribe or offer something of value to any Person, Governing Board member, or Agent;
- (17) Threatened or attempted to coerce any Person, Governing Board Member, or Agent;
- (18) Stole or attempted to steal funds or other items of value;

(19) Poses a threat to the public interest or the effective regulation of Consumer Financial Services;

(20) Creates or enhances the danger of unsuitable, unfair, or illegal practices and methods and activities in the conduct of Consumer Financial Services; and/or

(21) Has demonstrated an inability to manage the Applicant's personal or business finances or demonstrates a sufficient indebtedness in relation to income so as to cause concern for the Applicant's ability to fulfill its responsibilities under this Code.

(b) Acts of Controlling Persons. It is sufficient cause for denial, suspension, or revocation of a License if a Controlling Person of the Licensee or Applicant, or natural Person identified on the Application, acted or failed to act in a manner that if the Licensee or Applicant acted or failed to act in that manner would be cause for denial, suspension or revocation of the License.

(c) If a Licensee fails to renew its License and does not voluntarily surrender the License, the Authority may issue a notice of expiration of the License without further revocation proceedings.

(d) Revocation, suspension, cancellation, surrender, or expiration of a License shall not affect civil or criminal liability for acts committed before the revocation, suspension, cancellation, surrender, or expiration. Nothing in [this section](#) precludes the Authority from any enforcement.

(e) Procedure for Suspension or Revocation. Upon the Authority's reasonable belief that a violation of this Code has occurred, the Authority may initiate an investigation and/or suspend or revoke a License. Unless exigent circumstances exist, within 10 days of any denial, suspension, or revocation, an Applicant or Licensee may request a hearing contesting any denial, suspension, or revocation of a License according to the procedures outlined in [Section CMP.2.9.030](#)

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.4.040 was formerly codified as XII LCOTCL §2.404

CMP.2.4.050 Renewal

(a) Renewals. To renew a License, a Licensee shall reapply and resubmit any applicable Licensing fee,

as required under [Section CMP.2.4.020](#). The Authority may promulgate procedures to expedite the renewal process. Applicants may be required to provide updated material as requested.

(b) Non-renewal. The Authority may deny renewal of a License or suspend or revoke a License if the Authority finds the existence of any circumstance listed in [Section CMP.2.4.040](#) of this Code, or that any other fact or condition exists that, if it had existed at the time of the original Application for the License, would have warranted the Authority to refuse to issue the License.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.4.050 was formerly codified as XII LCOTCL §2.405

CMP.2.4.060 Voluntary Surrender of License

Any Licensee may voluntarily surrender its License at any time by giving written notice of the surrender to the Authority.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.4.060 was formerly codified as XII LCOTCL §2.406

CMP.2.4.070 Assignment or Transfer

A License is not salable, lendable, transferable, or assignable and control of a License shall not be acquired through any stock purchase or other devise without the prior written consent of the Authority. The Authority shall not give consent if the Authority finds that the acquiring Person does not meet the qualifications described in this Code.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.4.070 was formerly codified as XII LCOTCL §2.407

CMP.2.4.080 Deposits of Fees and Assessments

Application fees, renewal fees, late payment penalties, civil penalties, administrative fines and other fees or penalties provided for in this Code shall in all cases be paid directly to the Authority. The Authority shall deposit such proceeds into an account or fund designated by the Governing Board.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.4.080 was formerly codified as XII LCOTCL §2.408

Subchapter CMP.2.5 [Reserved]

Subchapter CMP.2.6 Licensees

CMP.2.6.010 Compliance

Licensees shall at all times comply with the provisions of this Code, rules and regulations promulgated pursuant to this Code, and all other applicable Tribal and applicable federal laws.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.6.010 was formerly codified as XII LCOTCL §2.601

CMP.2.6.020 Applicable Consumer Protection Laws

(a) Licensees and Vendors shall conduct business in a manner that complies with this Code and all applicable federal consumer protection law, including, without limitation:

The Dodd-Frank Wall Street Reform and Consumer Protection Act, 12 U.S.C. § 5301 *et seq.*, including the Consumer Financial Protection Act ("Dodd-Frank Act"), 12 U.S.C. § 5481 *et seq.*, and, the restrictions on Unfair, Deceptive, or Abusive Acts or practices, 12 U.S.C. § 5531, *et seq.*; the Consumer Credit Protection Act, 15 U.S.C. Chapter 41, including the Truth in Lending Act, 15 U.S.C. § 1601 *et seq.*, 12 C.F.R. § 226; the Fair Credit Billing Act, 15 U.S.C. § 1666a; the Consumer Leasing Act, 15 U.S.C. § 1667 *et seq.*; 12 CFR § 213 *et seq.*; the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, 12 C.F.R. § 222; the Equal Credit Opportunity Act, 15 U.S.C. § 1691 *et seq.*, 15 C.F.R. § 202; the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.*, 16 C.F.R. § 901; and, the Electronic Fund Transfer Act, 15 U.S.C. § 1693 *et seq.*, 12 C.F.R. § 205. Also, the Children's Online Privacy Protection Act, 15 U.S.C. §§ 6501-6506, 16 C.F.R. § 312.1-312.13; the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801 *et seq.*, 16 C.F.R. §§313 and 314; the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 *et seq.*; the Controlling the Assault of Non-Solicited Pornography and Marketing Act, 15 U.S.C. § 7701, *et seq.*; the Military Lending Act, 10 U.S.C. § 987, 32 C.F.R. § 232; the Servicemembers' Civil Relief Act, 50 U.S.C. App. § 501 *et seq.*; the Telephone Consumer Protection Act, 47 U.S.C. § 227, 47 CFR § 64.1200 *et seq.*; the Bank Secrecy Act, 31 U.S.C. § 5311 *et seq.*, 12 U.S.C. §§ 1829b, 1951-1959; the Anti-Money Laundering Act, 18 U.S.C. § 1960; and, the Telemarketing Sales Rule, 16 C.F.R. § 310.

(b) This Code does not disclaim or otherwise preclude the application of applicable federal law or federal authority. To the greatest extent possible, this Code is to be interpreted in a manner consistent with federal Indian policy and applicable federal law.

[\(Res. No. 2024-23.\)](#)

Prior Codifications

§CMP.2.6.020 was formerly codified as XII LCOTCL §2.602

CMP.2.6.030 Prohibited Acts by Licensees

(a) A Person shall not engage in the business of Consumer Financial Services subject to this Code without first obtaining a License pursuant to this Code.

(b) A Licensee shall not:

- (1) Engage in any Consumer Financial Services other than those allowed under this Code and authorized by its License.
- (2) Assess any interest, fee, or charge fee that is greater than any applicable limitation, if any, prescribed in this Code.
- (3) Use or cause to be published or disseminated any advertisement that contains false, misleading or deceptive statements or representations.
- (4) Engage in unfair, deceptive, or fraudulent practices.
- (5) Tie or otherwise condition the providing of Consumer Financial Services to the sale of any good or service by the Licensee.
- (6) Originate any Loan or approve any Loan agreement outside the Tribe's Jurisdiction.

Prospectively waive any applicable federal law in any Loan agreement.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.6.030 was formerly codified as XII LCOTCL §2.603

CMP.2.6.040 Compliance Management System

Each Licensee shall maintain a compliance management system, which shall include procedures for vendor diligence, to ensure compliance with this Code and applicable federal laws.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.6.040 was formerly codified as XII LCOTCL §2.604

CMP.2.6.050 Books, Accounts and Records, Examinations, Costs

(a) A Licensee shall maintain all books, accounts, and records that the Authority reasonably requires to ensure compliance. Each Licensee shall:

(1) Ensure that the books, accounts, and records are sufficiently detailed to comply with the Code and all applicable federal laws.

(2) Maintain the books, accounts, and records separately from any other business in which the Licensee is engaged and shall retain the books, accounts, and records for at least three years or according to the specific requirements of applicable federal law.

(b) The Authority may examine or cause to be examined each Licensee at least annually. In conducting such examination, the Authority or its agent may examine the books, accounts, and records to determine if the Licensee has complied with this Code and any applicable federal laws. The Licensee shall pay the cost of the examination.

(c) Tribal Records. All books, accounts, records, agreements, reports and audits, communications, and other documents held by a Licensee and related to Consumer Financial Services authorized by this Code are records of the Tribe.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.6.050 was formerly codified as XII LCOTCL §2.605

CMP.2.6.060 Reports

(a) Reports. At a minimum, every Licensee shall file an annual report with the Authority in a time and manner specified by the Authority. Each report shall contain information specified by the Authority sufficient for the Authority to determine compliance with this Code including, at a minimum, the following:

(1) The name, address, and telephone number of the Licensee;

- (2) The names, addresses and titles of all of the current managers of the Licensee;
- (3) A sworn statement that the Licensee, to the best of its knowledge, has complied and will continue to comply with all Tribal and federal laws applicable to Consumer Financial Services; and
- (4) The name and address of the agent who will accept service of process on behalf of the Licensee.
- (5) The Authority may promulgate regulations to require additional information and more periodic reporting.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.6.060 was formerly codified as XII LCOTCL §2.606

CMP.2.6.070 Public Notice

- (a) Each Licensee shall have a copy of this Code and any promulgated regulations readily available for inspection by any Person at each authorized physical location and on each website.
- (b) Technology and Data Security. Each Licensee shall secure all information technology hardware and data using such levels of protection and technology that is commensurate with recommended data security practices of the industry. Each Licensee shall have all technology and data security audited annually or more often if necessary.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.6.070 was formerly codified as XII LCOTCL §2.607

Subchapter CMP.2.7 Authorized Consumer Financial Services

CMP.2.7.010 General Authority

Subject to this Code, a Licensee may engage in the business of providing Consumer Financial Services as provided in this Code.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.7.010 was formerly codified as XII LCOTCL §2.701

CMP.2.7.020 Consumer Agreements: Immunity, Conditions, and Disclosures

(a) Preservation of Tribal Sovereign Immunity and Exclusive Jurisdiction. All Consumer agreements must provide a notice regarding preservation of tribal sovereign immunity and exclusive jurisdiction of the Tribe, as well as a Consumer's limited and exclusive rights to submit complaints through the Tribal dispute resolution process in accordance with this Code and regulations of the Authority. The notice must inform the Consumer that:

- (1) the Licensee consents to the jurisdiction of the Tribe and to the Tribal dispute resolution process in accordance with this Code and regulations of the Authority; and
- (2) until the Tribal dispute resolution process is exhausted, the Consumer may not bring any claims in any court, in which case the Licensee reserves all rights and defenses.

(b) Consumer Agreement Required Notices and Disclosures; Borrower's Rights and Responsibilities. Each Loan Agreement must contain a notice and disclosure that advises the Consumer of their rights. The notice and disclosures must be Conspicuously Displayed within the Loan agreement. For Loans originated by a Licensee, the Loan Agreement must contain, at a minimum, the following information:

- (1) Identify that the Licensee is wholly owned economic instrumentality of the Tribe, formed and operated pursuant to Tribal law for the express purpose of the economic development and betterment of the Tribe;
- (2) The Licensee and the Tribe are immune from suit in any court unless the Tribe expressly and unequivocally waives its sovereign immunity or Congress authorizes suit under federal law;
- (3) The Licensee is regulated and licensed by the Authority according to Tribal law, Tribal regulations,

the Dodd-Frank Act, 12 USC § 5552, and applicable federal law and regulation;

(4) The Loan is made within the Tribe's jurisdiction and governed by Tribal law and applicable federal law;

(5) No portion of the Loan attempts to waive or otherwise prohibit the application of applicable federal law;

(6) The Loan may have a high interest rate and is not intended as a long-term financial solution;

(7) Alternative forms of credit may be less expensive;

(8) The Loan is not governed by the laws of any State and that Loans issued according to State law may offer interest rate limits and other consumer protections that are inapplicable to the Consumer, the Loan, and the Licensee;

(9) Consumer's signature and acceptance of the Loan indicates:

(A) Consumer understands that it is in the Consumer's best interests to evaluate their ability to repay the Loan;

(B) Consumer has had the opportunity to consult an independent financial counselor;

(C) Consumer understands that the Consumer, and not the Lender, is responsible to evaluate the Consumer's financial options;

(D) Consumer has read and understands the terms of the Loan, including the interest rate;

(E) Consumer understands the inapplicability of state law;

(F) Consumer understands that the Loan is made in accordance with the terms of a Loan agreement which is governed by Tribal law and that, by signing the Loan agreement and accepting the Loan, the Consumer is consenting to the Tribe's jurisdiction;

(10) Consumer consents to the dispute resolution process provided in the Loan agreement;

(11) Consumer has provided current and accurate information related to the Consumers' employment,

income, credit, and asset history;

(12) Consumer is able to repay the loan according to the terms of the Loan agreement.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.7.020 was formerly codified as XII LCOTCL §2.702

CMP.2.7.030 Consumer Financial Services: Products, Specific Terms

(a) Extension of Credit. Any Licensee may, subject to any limitations on lending authority or otherwise imposed by law and subject to the other provisions of [this section](#), offer and extend credit to a Consumer and, in connection therewith, may charge and collect the interest and other charges permitted by [this subchapter](#) and may take such security as collateral in connection therewith as may be acceptable to the Licensee.

(b) Installment Loans.

(1) When a Licensee offers Installment Loans, in addition to such other disclosure requirements as are imposed pursuant to other provisions of [this subchapter](#), the application for such Loan must contain a written disclosure, Conspicuously Displayed, that:

(A) The Loan is designed as a short-term cash flow solution and not designed as a solution for longer term financial problems;

(B) Additional fees and interest may accrue if the Loan is refinanced; and

(C) Credit counseling services are available to Consumers who are experiencing financial problems.

(2) Nothing in [this section](#) prohibits a Licensee from refinancing the principal amount of an Installment Loan, subject to the limitations and requirements imposed herein.

(3) Every Licensee must post on any website a prominent statement that: "This Loan is not intended to meet long-term financial needs."

(c) Single-payment Consumer Loans. When a Licensee offers Single-payment Consumer Loans, in addition to such other limitations and requirements imposed pursuant to other provisions of [this subchapter](#), Single-payment Consumer Loans shall be subject to the following:

(1) Repayment. A Single-payment Consumer Loan is repayable in full on the Consumer's next pay date.

(2) Loan Term. The minimum Loan term is two (2) days and the maximum Loan term is fourteen (14) days. Where a Loan is requested but cannot be issued in time to meet the minimum two-day Loan term requirement, it is held in a pending status and issued at a future date.

(3) Eligibility. In order to qualify for a Loan, customers must be at least 18 years of age, reside in the United States and have a regular source of income directly deposited to their bank account.

(4) Exclusions.

(A) Military. Military is excluded as the product does not comply with the Military Lending Act's APR requirements.

(B) Reserved.

(5) Loan Limits. Loan limits are determined based on Consumer net income and Loan history.

(d) New Merchant Technology Leasing Product. When a Licensee offers a New Merchant Technology Leasing Product, in addition to such other limitations and requirements as are imposed pursuant to other provisions of [this subchapter](#), New Merchant Technology Leasing Products shall be subject to the following:

(1) Potential Consumers will be identified through existing channels that currently purchase non-organic and organic leads.

(2) Lease amounts will be secured by Consumer collateral consisting of phones, tablets, laptops, and other products. Collateral will not be physically collected and Customer Service Representatives (CSRs) will collect serial numbers, brand, model and potentially, photos of the product.

(3) A Licensee may elect to charge an administrative fee to the Consumer for inventory management or other costs, which fee shall not exceed the lesser of \$100 or 20 percent (20%) of the ascribed value of the leased good or goods, and minimum rentals based upon the first 45 days of the Lease in the event

the lessee terminates the lease. These charges do not constitute penalties. A fixed price purchase option in a Lease does not of itself create a security interest. This is particularly true if the fixed price is substantial in relation to the reasonably predictable fair market value of the goods at the time the option is to be performed. Other prices are also sufficient provided they are not nominal.

(4) Lease payments will be based on pay frequency. The Lease will be a true Lease and there will be no required principal payments by the customer. New Lease documents will not be required after each Lease payment on the Consumer's pay date and the customer may choose to pay off the Lease at any time.

(5) Consumers in default of their Lease will be required to send in the goods committed as collateral and will be sold to a third-party vendor to liquidate the item.

(6) Storage of the leased product will be housed on tribal lands.

(e) Line of Credit Product. When a Licensee offers a Line of Credit product, in addition to such other limitations and requirements as are imposed pursuant to other provisions of [this subchapter](#), the Line of Credit product shall be subject to the following:

(1) Underwriting. The initial screening of a Line of Credit application will pass through the multi-tiered waterfall process which includes both internal "black-box" and external 3rd party scorecards for assessment. The Line of Credit Product will take this process into consideration and provide the same level of data for real-time assessment.

(2) Credit Line Draw Down. The Line of Credit product will allow a customer to request a draw down on available credit and manage the disbursement of the draw.

(3) Billing Statements. Payments will be scheduled and processed on the customers' pay-dates. The billing cycle and statement delivery will be set on a minimum fourteen (14) day cycle.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.7.030 was formerly codified as XII LCOTCL §2.703

CMP.2.7.040 Consumer Financial Services: General Terms

(a) Interest. A Licensee may charge and collect interest in respect of a Loan at such daily, weekly, monthly, annual, or other periodic percentage rate or rates as the agreement governing the Loan provides or as established in the manner provided in such agreement and may calculate such interest by way of simple interest or such other method as the agreement governing the Loan provides. If the interest is precomputed it may be calculated on the assumption that all scheduled payments will be made when due. For purposes hereof, a year may but need not be a calendar year and may be such period of from 360 to 366 days, including or disregarding leap year, as the Licensee may determine.

(b) Variable Rates. If the agreement governing the Loan so provides, the periodic percentage rate or rates of interest charged and collected in respect of the Loan may, if the interest is not precomputed and taken in advance, vary in accordance with a schedule or formula. Such periodic percentage rate or rates may vary from time to time as the rate determined in accordance with such schedule or formula varies and such periodic percentage rate or rates, as so varied, may be made applicable to all or any part of outstanding unpaid amounts of such Loan on and after the effective date of such variation. [This section](#) shall not be construed to limit the authority of a Licensee to charge and collect interest in respect of a Loan in the manner and at the rate or rates authorized in any other Section of [this subchapter](#). Without limitation, a permissible schedule or formula hereunder may include provisions in the agreement governing the Loan for a change in the periodic percentage rate or rates of interest applicable to all or any part of outstanding unpaid amounts whether by variation of the then applicable periodic percentage rate or rates of interest, variation of an index or margin or otherwise, contingent upon the happening of any event or circumstance specified in the Loan agreement, which event or circumstance may include the failure of the Consumer to perform in accordance with the terms of the Loan agreement.

(c) Additional Charges. In addition to or in lieu of interest at a periodic percentage rate or rates permitted by [Section CMP.2.7.040\(a\)](#) and [Section CMP.2.7.040\(b\)](#), the Licensee may charge and collect, in respect of a Loan:

(1) Loans.

(A) If the agreement governing the Loan so provides, charge and collect any other fees or charges, costs, points, premiums, and all other expenses which may be assessed by the Licensee in connection with the Loan.

(B) If the agreement governing a Loan so provides, a Licensee may impose, as interest, a late or

delinquency charge upon any outstanding unpaid installment payments or portions thereof under the Loan agreement which are in default; provided, however, that no more than 1 such delinquency charge may be imposed in respect of any single such installment payment or portion thereof regardless of the period during which it remains in default. Nothing contained in this subdivision shall limit, restrict, or otherwise affect the right of a Licensee under and pursuant to § 2.702 (5) of [this subchapter](#) to change the periodic percentage rate or rates of interest applicable to the Loan agreement between the Licensee and a Consumer upon the occurrence of a delinquency or default or other failure of the Consumer to perform in accordance with the terms of the Loan agreement.

(C) Such other charges as are set forth in the Agreement governing the Loan including, but not limited to, costs, fees, services, points, premiums and all other reasonable expenses which may be incurred by such Applicant in connection with a Loan. No Licensee shall demand, collect, or receive from any Applicant for a Loan, directly or indirectly, any other charges, or any greater amounts for any authorized charges than those permitted by [this subchapter](#).

(D) Licensee may also charge a transaction charge or credit extension fee as well as a minimum charge for each scheduled period under the plan where there is an outstanding unpaid indebtedness.

(2) Leases.

(A) A Licensee may elect to charge an administrative fee to the Consumer for inventory management or other costs, which fee shall not exceed the lesser of \$100 or 20 percent (20%) of the ascribed value of the leased good or goods, and minimum rentals based upon the first 45 days of the lease in the event the lessee terminates the lease. These charges to not constitute penalties. A fixed price purchase option in a lease does not of itself create a security interest. This is particularly true if the fixed price is substantial in relation to the reasonably predictable fair market value of the goods at the time the option is to be performed. Other prices are also sufficient provided they are not nominal.

(d) Deferred Installments. A Licensee may at any time or from time to time permit a Consumer to defer installment payments of a Loan and may, in connection with such deferral, charge and collect deferral charges.

(e) Refinancing.

(1) A Consumer may, with the consent of the Licensee, refinance the entire outstanding and unpaid amount of a Loan, and the Licensee may charge and collect a refinancing charge in connection with any such refinancing.

(2) For the purposes of [this section](#), the entire outstanding and unpaid amount of a Loan shall be deemed to be the total of the unpaid balance and the accrued and unpaid interest and charges on the date of refinancing.

(f) Attorney's Fees; Costs. In the event a Consumer defaults under the terms of a Loan, the Licensee may, if the Consumer's account is referred to an attorney (not a regularly salaried employee of the Licensee) or to a third party for collection and, if the agreement governing, or the bond, note or other evidence of, the Loan so provides, charge and collect from the Consumer a reasonable attorney's fee. In addition, following a Consumer's default, the Licensee may, if the agreement governing, or the bond, note or other evidence of, the Loan so provides, recover from the Consumer all court, alternative dispute resolution or other collection costs (including, without limitation, fees, and charges of collection agencies) actually incurred by the Licensee.

(g) No Oral Agreements. A Loan agreement may provide that it represents the entire agreement of the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. Such provisions are enforceable and disallow evidence of oral agreements.

(h) Credits, Debits & Payments. A Licensee may rely on the ACH network as the funding and primary payment mechanism for its consumer financial services, however, alternative payment methods shall be available, which include US Postal Service and card payments.

(i) Complaints, Credit Counseling & Bankruptcy. All Consumer complaints are handled by individuals authorized to manage complaints, credit counseling, and/or bankruptcy.

(j) Nonpayment. No Licensee shall pursue, or threaten to pursue, criminal action against an individual Consumer in connection with the nonpayment of any amount due, including the unpaid return of any check or automated clearing house transaction.

(k) Right of Rescission. In addition to such other limitations and requirements as are imposed pursuant to other provisions of [this subchapter](#), no Licensee shall make a Loan unless such Loan is subject to a right of rescission of no less than 2 business days on the part of the individual Consumer.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.7.040 was formerly codified as XII LCOTCL §2.704

Subchapter CMP.2.8 Enforcement

CMP.2.8.010 Jurisdiction

Except as provided otherwise in this Code, the Authority shall have jurisdiction over all violations of this Code.

(a) Jurisdiction over Members. The Tribe has jurisdiction over all Tribal Members.

(b) Jurisdiction over Tribal Business Entities. The Tribe has jurisdiction over all business entities organized under Tribal law.

(c) Jurisdiction over non-Members. The Tribe has jurisdiction over non-Members (i) that are within the Tribe's Indian lands, (ii) who enter into consensual relationships (e.g., commercial dealings, contracts, leases, or other arrangements) with the Tribe, its arms and instrumentalities, businesses organized under Tribal law, and the Tribe's Members; (iii) who threaten the Tribe's political integrity, economic security, or health and welfare; and/or (iv) as delegated by Congress. Without limiting the foregoing:

(1) Obtaining a License pursuant to this Code is consent by the Licensee or Applicant to the Tribe's jurisdiction and consent to the Tribe's exercise of jurisdiction over the Licensee in any action arising out of the Licensee's activities whether the Licensee or the Licensee's activities are on or off-reservation. The Authority is specifically granted authority under this Code to act on behalf of the Tribe to exercise jurisdiction over Licensees.

(2) Obtaining any Consumer Financial Service, Loan, or other product or service authorized by this Code or any duly promulgated regulation invokes and is consent to the Tribe's jurisdiction for the application of Tribal law, including, but not limited to, the Code.

(3) Providing any services directly to a Licensee, the Tribe, or other tribally owned entity is consent to the Tribe's jurisdiction for the application of Tribal law including, but not limited to, the Code.

(d) Jurisdiction over Consumer Financial Services. The Tribe has jurisdiction over all Consumer Financial Services authorized by this Code and by promulgated regulations. The Authority is specifically granted authority under this Code to act on behalf of the Tribe to exercise jurisdiction over those providing, offering, or engaging in Consumer Financial Services.

(e) Jurisdiction over Indian lands. The Tribe has jurisdiction over Indian lands as provided for in the Tribe's Constitution.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.010 was formerly codified as XII LCOTCL §2.801

CMP.2.8.020 Guidelines

In imposing any administrative remedy or civil penalty provided for in this Code, the Authority shall take into account the appropriateness of the remedy or penalty with respect to the size of the financial resources and good faith of the violator charged, the extent to which the violation was intentional, the gravity of the violation, the history or previous violations, and such other matters as justice may require.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.020 was formerly codified as XII LCOTCL §2.802

CMP.2.8.030 Civil Violations

Any Person who violates or fails to comply with any provision of this Code or who fails or neglects to comply with any final order of the Authority may be charged with a violation and given due process pursuant to [Section CMP.2.9.030](#) of this Code. If the Person is found to have committed a violation, he/she/it may be required to pay a civil fine to the Authority not to exceed Five Thousand Dollars (\$5,000) for each violation. Each day during which any such violation or failure to comply continues may be

treated as a separate violation of this Code, but not to exceed \$100,000. A violation or series of violations related to the same act or omission may be treated as one violation.

(a) A Licensee found responsible for a material violation pursuant to [this section](#) may also be subject to revocation of the Licensee's License.

(b) An officer or agent of a business entity who knowingly or recklessly participates in a material violation of this Code may be subject to termination by the Authority. If an officer or agent of a Licensee participates in a violation of this Code, then the Authority may immediately revoke the Licensee's License.

(c) If an officer, agent, or employee of a Vendor participates in a violation of this Code, the Authority may immediately ban the Vendor from operating within the Tribe's jurisdiction and may require other Licensees working with such Vendor to show cause why they should not be held accountable and disciplined for the Vendor's conduct.

(d) Any unlicensed Person that violates [Section CMP.2.4.040\(a\)](#) subsections (a) – (t), or otherwise violates this Code, may be subject to a civil enforcement action described here.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.030 was formerly codified as XII LCOTCL §2.803

CMP.2.8.040 Cumulative Fines

All civil fines accruing under this Code shall be cumulative and a suit for the recovery of one fine shall not bar or affect the recovery of any other fine, or judgment, penalty, forfeiture or damages, nor bar the power of a court of competent jurisdiction to enter an order of contempt, nor bar any criminal prosecution against any officer, director, agent, or employee of any Licensee, or any other Person.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.040 was formerly codified as XII LCOTCL §2.804

CMP.2.8.050 Purpose of Civil Penalties

The civil fines imposed under this Code are intended to be remedial and not punitive and are designed to compensate the Tribe for the damage done to the peace, security, economy, and general welfare of the Tribe, and to compensate the Tribe for costs incurred by the Tribe in enforcing this Code. The civil fines under this Code are also intended to coerce all people into complying with this Code and Authority regulations and not to punish such people for violation of such laws and regulations.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.050 was formerly codified as XII LCOTCL §2.805

CMP.2.8.060 Civil Action for Penalties

In enforcing the civil infraction provisions of this Code, the Authority may proceed, in the name of the Tribe, against a Person for violation of such provision by civil complaint in a court of competent jurisdiction pursuant to the provisions of this Code. Nothing in [this section](#) precludes the Authority from any license suspension or revocation authorized by this Code.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.060 was formerly codified as XII LCOTCL §2.806

CMP.2.8.070 Seizure and Forfeiture of Property

Property utilized in violation of this Code shall be subject to seizure and forfeiture by order of the Authority pursuant to such implementing regulations as the Authority shall promulgate.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.8.070 was formerly codified as XII LCOTCL §2.807

Subchapter CMP.2.9 Resolving Borrower Disputes

CMP.2.9.010 General Principles

(a) The Tribe values its Consumers and intends, at all times, to see that Consumers' questions, concerns, issues, and disputes are addressed in a fair and orderly manner.

(b) A Consumer's Loan agreement, a License, or a contract with a Licensee constitutes a consensual contractual relationship with an arm of the Tribe sufficient to allow the Authority both Tribal and administrative jurisdiction over any dispute arising thereunder.

(c) For all Consumer Loans originated before the DATE, Consumer concerns about a Licensee's operations, its Consumer Financial Services or products, the Consumer's agreement with the Licensee, or who is aggrieved by some aspect of the operation of any part of the Licensee's business shall be resolved according to the terms of the Consumer's agreement unless the Consumer agrees to the procedures herein.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.9.010 was formerly codified as XII LCOTCL §2.901

CMP.2.9.020 Tribal and Administrative Exhaustion

(a) Consumers, Licensees, and any Person within the Tribe's jurisdiction are required to exhaust the

tribal and administrative procedures before filing suit in any court.

(b) Unless superseded by later enacted Tribal administrative procedures and/or Tribal Court Rules, a Consumer, Licensee, or any Person exhausts Tribal and administrative remedies by adhering to the dispute resolution procedures herein.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.9.020 was formerly codified as XII LCOTCL §2.902

CMP.2.9.030 Initial Consumer Dispute Resolution Procedure

(a) A Consumer who has concerns about a Licensee's operations, its Consumer Financial Services or products, the Consumer's agreement with the Licensee, or who is aggrieved by some aspect of the operation of any part of the Licensee's business, shall direct the concerns or dispute in the first instance to the Licensee in the manner prescribed by the Consumer's agreement to afford the Licensee an opportunity to offer a remedy.

(b) Any Consumer Loan agreement shall not prohibit any Consumer from exercising any right under Tribal law or applicable federal law.

Any Consumer Loan agreement must inform the Consumer of the right to raise any concerns about a Licensee's operations, its Consumer Financial Services or products, the Consumer's agreement with the Licensee, or other grievance related to any aspect a Licensee's operation or business with the Authority according to [Section CMP.2.9.040](#).

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.9.030 was formerly codified as XII LCOTCL §2.903

CMP.2.9.040 Formal Consumer Dispute Resolution Procedure; Tribal Forum

(a) The Authority shall establish an intake process to receive, record and direct Consumer complaints to the appropriate Licensee to allow the Licensee an opportunity to remedy the complaint according to [Section CMP.2.9.030](#). The Authority may require any Licensee to inform the Authority of the status of Consumer complaints and the resolutions to Consumer complaints.

(b) After complying with [Section CMP.2.9.030](#), any Consumer dissatisfied with the Licensee's proposed resolution to the Consumer's complaint may file the complaint with the Authority and proceed pursuant to the Authority's Dispute Resolution Regulations, or, if enacted, Tribal administrative procedures.

(c) Administrative Forum. The Authority shall serve as a tribal administrative forum to adjudicate and resolve consumer disputes.

(d) Authority Final Decision and Order. Following full compliance with the procedures in [Section CMP.2.9.030](#), the Authority's Dispute Resolution Regulations, and, if enacted, the Tribal administrative procedures, the Authority shall issue a Final Decision and Order that shall include separate sections entitled "findings of fact" and "conclusions of law." Findings of fact shall include a concise statement of the underlying supporting facts. Each conclusion of law shall be supported by authority or reasoned opinion.

A Final Decision and Order is appealable pursuant to [Section CMP.2.9.060](#). A Consumer does not exhaust Tribal and administrative remedies until after any appeal of any Final Decision and Order pursuant to [Section CMP.2.9.060](#).

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.9.040 was formerly codified as XII LCOTCL §2.904

CMP.2.9.050 Applicant and Licensee Dispute Resolution Procedure

(a) Investigations, Right of Entrance.

(1) Investigations. The Authority may investigate and examine the operation and premises of any Licensee or Person engaging or suspected to be engaging in Consumer Financial Services or otherwise

in violation of this Code within the Tribe's jurisdiction.

(A) In undertaking such investigations, the Authority may request the assistance of law enforcement officials, legal counsel, and other third parties.

(B) In conducting such investigation, the Authority shall make no order or final decisions without affording any affected party notice and a hearing pursuant this Code.

(C) This power to investigate does not authorize the Authority to manage the day-to-day operations of a Licensee.

(D) All investigations, information obtained during an investigation, and findings are confidential and remain confidential unless or until disclosed by the Authority, including disclosure by notice of violation or enforcement action, or by the Tribal Council.

(2) Right of Entrance. The Authority, its employees, and its agents may enter the premises of any Licensee, during the Licensee's regular business hours, or of a Person engaging in or suspected to be engaging in Consumer Financial Services, or otherwise in violation of this Code, to inspect the premises, accounts, books, papers, and documents of any such License. The Authority may seek a court order to enter the premises of any Person engaging in or suspected to be engaging in Consumer Financial Services or otherwise in violation of this Code, to inspect the premises, accounts, books, papers, and documents of any such Licensee or Person.

(3) Aid to Entry. The staff of the Licensee or Person engaging in or suspected to be engaging in Consumer Financial Services, or otherwise in violation of this Code, shall facilitate such inspection or examinations by giving every reasonable aid to the Authority, its employees, and its agents.

(b) Notice; Opportunity to Cure; Due Process; Hearings; Examiner.

(1) Notice of Violation. If the Authority believes that any Licensee or Person has engaged in or is about to engage in any act or practice constituting a violation of this Code or any applicable federal law the Authority is empowered to enforce, the Authority may issue a Notice of Violation, which may include a cease-and-desist order, and provide the violator an opportunity to cure the violation or to request a hearing.

(A) Notice. Upon discovery of a violation, the Authority shall promptly serve a notice with an explanation of the reasons the notice was issued, a timeframe for compliance or to otherwise cease

any violation, and detail any consequences or enforcement actions for noncompliance.

(B) Request for Hearing. A Licensee or Person may request a hearing, in writing, within fifteen (15) Business Days after the notice was issued.

(C) Upon receipt of a written request for a hearing, the Authority shall set a hearing within a reasonable time or at an agreed upon time and send notice to the requestor. A notice of hearing shall specifically identify the issues to be heard, and the date, time, and location at which a hearing shall be conducted.

(D) If a hearing is not requested within fifteen (15) Business Days after a notice is served, the Authority may issue an order confirming the violations in the notice and impose any applicable enforcement action, which shall remain in effect until modified or vacated by the Authority.

(E) Vacation or Modification of Cease-and-Desist Order. The Authority may vacate or modify a notice of violation or an order if it finds that the conditions supporting the notice or order have changed or that it is otherwise in the public interest to do so.

(2) No Hearing, Voluntary Resolution. Whenever it shall appear to the satisfaction of the Authority that the violation has been cured, or that all of the interested parties involved in any violation or dispute have agreed to a resolution, the Authority may dismiss or approve resolution of the issue, as appropriate, without a hearing.

(3) Notice of Hearing. The Authority shall, within ten (10) days after a request for a hearing as provided in 2.904(2)(a)(ii), provide a written notice setting forth, with specificity, the issues to be resolved and the date and time at which a hearing shall be conducted.

(4) Hearing. The Authority shall designate an Agent or appoint a Presiding Officer to serve as an administrative law judge and preside over a hearing. Any such appointment shall constitute a delegation to such examiner of the powers of the Authority under this Code with respect to any such hearing.

(A) Hearings shall be scheduled to take place within a reasonable time following service of a notice.

(B) At the hearing, the Person or Licensee that received the notice of violation shall be provided the opportunity to make an opening statement, present oral or written evidence, examine witnesses, and make a closing statement.

(C) No Agent may be called to testify at a hearing conducted under [this section](#).

(D) Decision. The Authority shall issue a written decision to all affected parties within thirty (30) days after the hearing. The Authority may confirm or withdraw any notice of violation, remove or extend an order, confirm the denial of an Application, suspend, or revoke a License, and order fines, penalties, or other relief.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.9.050 was formerly codified as XII LCOTCL §2.905

CMP.2.9.060 Appeals

(a) Petition. Any party to a proceeding brought under [Section CMP.2.9.040](#) may appeal the Authority's Final Decision and Order by filing a written petition to appeal with the Tribal Court according to the Tribal Court Rules of Procedure. The Authority shall not be a party to any appeal.

(b) Any appeal shall be an administrative appeal and shall not constitute an original civil action and shall not constitute a suit against the Tribe.

(c) Perfecting Appeal. Upon perfecting an appeal by filing a petition, the Authority shall lose jurisdiction over the dispute. If the matter is remanded, the Authority shall regain jurisdiction for any additional proceedings.

(d) Appellate Standards. Unless superseded by later enacted Tribal administrative procedures and/or Tribal Court Rules, the Tribal Court shall adhere to the following appeal standards:

(1) The Tribal Court shall limit its review to the administrative record. The Tribal Court shall implement a briefing schedule and detail briefing policies, procedures, and format;

(2) the Tribal Court has discretion to allow oral arguments on the appeal;

(3) The Tribal Court shall give deference to the Authority's reasonable interpretation and application of the Code and applicable federal laws and regulations;

(4) If the Tribal Court concludes that the Authority's decision and order is arbitrary and capricious or that it is not supported by the evidence, the Tribal Court may reverse and/or remand the Authority's decision and order. Mere disagreement with the Authority's findings is not a basis for reversal.

(5) If the Tribal Court concludes that the Authority's conclusions of law conflict with Tribal law or the Tribal Constitution, or are in conflict with applicable federal law, the Tribal Court may either reverse and remand the Authority's decision to the Authority for additional proceedings or enter a decision and judgment.

(6) The Tribal Court may implement additional rules to manage appeals that are not inconsistent with this Code.

(e) Opinion and Order. Within a reasonable time after oral argument, the Tribal Court shall issue a written opinion and order.

(f) The Tribal Court's opinion and order may not be appealed.

(g) Final Judgment; Exhaustion of Tribal and Administrative Remedies. A Tribal Court's opinion and order shall be confirmed by the Authority by Final Judgment which exhausts tribal and administrative remedies. No action shall be brought in any court by any party until the dispute procedures in [Section CMP2.9.030](#) or [Section CMP2.9.040](#) and the appeal procedure in [this section](#) are fully exhausted.

([Res. No. 2024-23](#).)

Prior Codifications

§CMP.2.9.060 was formerly codified as XII LCOTCL §2.906

Subchapter CMP.2.10 Uniform Commercial Code; Secured Transactions

CMP.2.10.010 Adoption by Reference

The Tribe hereby adopts and incorporates by reference Wisconsin Statutes, Chapter 409, Uniform Commercial Code – Secured Transactions, as it may be amended from time to time (the "Wisconsin

UCC9"), but subject to the exceptions and qualifications provided in this ordinance. In the event of any conflict between this ordinance and Wisconsin UCC9, this ordinance shall control. This [this subchapter](#) may be referred to as the "Tribal UCC9.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.10.010 was formerly codified as XII LCOTCL §2.1001

CMP.2.10.020 References

All references to the State of Wisconsin shall mean the Tribe. Any references to sections in the Wisconsin UCC 9 may be referenced for purposes of this ordinance with the prefix [Section CMP.2.10.010](#) instead of 409. For example, § 409.101 of the Wisconsin UCC9 may be cited as § 2.1001.101 of this ordinance.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.10.020 was formerly codified as XII LCOTCL §2.1002

CMP.2.10.030 Characterization of Transactions

Any characterization in this ordinance of a transaction as a sale, lease, pawn, or other transaction shall control over any contrary provision in the Tribal UCC9.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.10.030 was formerly codified as XII LCOTCL §2.1003

CMP.2.10.040 Preservation of Sovereign Immunity and Exclusive Jurisdiction

Nothing in [this section](#) or the Wisconsin UCC9 as adopted in [this section](#) shall be construed:

- (a) As a waiver of the Tribe's sovereign immunity or exclusive jurisdiction, including, but not limited to the immunity of its entities, agents, officers, employees, or elected officials; or
- (b) To grant jurisdiction to any other governmental agency or entity other than the Tribe.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.10.040 was formerly codified as XII LCOTCL §2.1004

CMP.2.10.050 Exceptions

The Tribe's adoption of the Wisconsin UCC9 is subject to the exceptions and comments as follows:

Wisconsin UCC 9 Reference	Tribal UCC9 Exception or Comment
§409.501 Filing Office.	<p>Tribal UCC 9 Section CMP2.10.010.501 shall read as follows:</p> <p>(1) Unless otherwise provided by Tribal law, the office in which to file a financing statement to perfect any security interest is the office of the Secretary/Treasurer of the Tribe in all cases. The Secretary/Treasurer shall mark any security interests so filed with the date and time such security interest was received and maintain any such recorded interests in searchable files so that members of the public may reasonably research the priority of security interests with respect to any property subject to the Tribe's jurisdiction that has also been the subject of some financing statement filed with the Secretary/Treasurer.</p> <p>(2) If the Secretary/Treasurer receives a financing statement under subsection (1) for filing, and any debtor identified on the financing statement is an individual, the Secretary/Treasurer shall provide written notice of the filing of the financing statement to that debtor. The Secretary/Treasurer shall determine the form of the written notice and the written notice shall contain at least all of the following information:</p> <p>(a) The debtor's name and address as shown on the financing statement.</p> <p>(b) The secured party's name and address as shown on the financing statement.</p> <p>(c) The remedies available to the debtor under this act if he or she believes that the financing statement is erroneously or fraudulently filed.</p> <p>(3) In addition to the written notice described in subsection (2), the Secretary/Treasurer shall provide at no charge to a debtor described in that subsection a copy or image of the filed financing statement and any attachments. If the debtor requests additional copies or searches, the fees provided in section 9525 apply to that request.</p> <p>(4) A person shall not knowingly or intentionally file a false or fraudulent financing statement with the office of the Secretary/Treasurer under subsection (1). A violation of this subsection is punishable under Tribal law and/or other applicable laws.</p>
§409.612 Timeliness of notification before disposition of collateral.	<p>Tribal UCC 9 §2.1001.612 shall read as follows:</p> <p>A notification of disposition sent after default and 10 days or more before the earliest time of disposition set forth in the notification is sent within a reasonable time before the disposition.</p>
§409.620 Acceptance of collateral in full or partial satisfaction of obligation; compulsory disposition of collateral.	Tribal UCC 9 §2.1001§.620 shall not include subsections(5) or (7) and any related references to those subsections.
§409.602 Waiver.	Tribal UCC9 §2.1001.602 shall not include any special treatment with respect to consumer-goods transactions.
§409.624 Remedies for secured party's failure to comply with article.	Tribal UCC9 does not incorporate §409.624.
§409.636 Action in which deficiency or surplus is in issue.	Tribal UCC9 does not incorporate §409.626.
PART 7 TRANSITION	Tribal UCC9 does not incorporate subchapter VII, Wis. Stat. 409.720 et seq.
[Reserved for expansion]	

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.10.050 was formerly codified as XII LCOTCL §2.1005

Subchapter CMP.2.11 Uniform Commercial Code; Leases

CMP.2.11.010 Adoption by Reference

The Tribe hereby adopts and incorporates by reference Wisconsin Statutes, Chapter 411, Uniform Commercial Code – Leases, as it may be amended from time to time (the "Wisconsin UCC2A"), but subject to the exceptions and qualifications provided in this ordinance. In the event of any conflict between this ordinance and Wisconsin UCC2A, this ordinance shall control. This [this subchapter](#) may be referred to as the "Tribal UCC2A."

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.11.010 was formerly codified as XII LCOTCL §2.1101

CMP.2.11.020 References

All references to the State of Wisconsin shall mean the Tribe. Any references to sections in the Wisconsin UCC2A may be referenced for purposes of this ordinance with the prefix 2.1101 instead of 411. For example, § 411.101 of the Wisconsin UCC2A may be cited as § 2.1101.101 of this ordinance.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.11.020 was formerly codified as XII LCOTCL §2.1102

CMP.2.11.030 Characterization of Transactions

Any characterization in this ordinance of a transaction as a sale, lease, pawn, or other transaction shall control over any contrary provision in the Tribal UCC2A.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.11.030 was formerly codified as XII LCOTCL §2.1103

CMP.2.11.040 Preservation of Sovereign Immunity and Exclusive Jurisdiction

Nothing in [this section](#) or the Wisconsin UCC2A as adopted in [this section](#) shall be construed:

- (a) As a waiver of the Tribe's sovereign immunity or exclusive jurisdiction, including, but not limited to, the immunity of its entities, agents, officers, employees, or elected officials; or
- (b) To grant jurisdiction to any other governmental agency or entity other than Tribe.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.11.040 was formerly codified as XII LCOTCL §2.1104

CMP.2.11.050 Exceptions

The Tribe's adoption of the Wisconsin UCC2A is subject to the exceptions and comments as follows:

Wisconsin UCC 2A Reference	Tribal UCC2A Exception or Comment
§ 411.104 Leases subject to other law.	Tribal UCC2A § 2.1101.104 is adopted with the deletion of Wisconsin UCC2A § 411.004(1)(c). This ordinance contains its own consumer protection provisions.
§ 411.106 Limitation on power of parties to consumer lease to choose applicable law and judicial forum	Tribal UCC2A § 2.1101.106 is adopted to read as follows: § 2.11.106 Power of parties to consumer lease to choose applicable law and judicial forum. In all instances, the choice of law, jurisdiction, and forum of the parties to a consumer lease with the Tribe is enforceable.
§ 411.108 Unconscionability	Tribal UCC2A does not adopt Wisconsin §411.108. This ordinance contains its own consumer protection provisions.
§411.208 Modification, rescission and waiver	Tribal UCC 2A § 2.1101.208 incorporates Wisconsin UCC2A § 411.208, but is subject to § 2.702 (15) of this ordinance, which provides that a consumer financial services transaction may provide that it represents the entire agreement of the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. Such provisions are enforceable and disallow evidence of oral agreements.
§ 411.503 Modification or impairment of rights and remedies	Tribal UCC2A § 2.1101.503 is adopted with an amended subsection (3) to read as follows: (3) Consequential damages may be liquidated under § 411.504, or may otherwise be limited, altered or excluded. In this regard, this ordinance contains its own consumer protection provisions.
§411.504 Liquidation of damages	Tribal UCC2A § 2.1101.504 is adopted with the deletion of Wisconsin UCC2A § 411.504(3) and (4).
[Reserved for expansion]	

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.11.050 was formerly codified as XII LCOTCL §2.1105

Subchapter CMP.2.12 Uniform Commercial Code; Lease Distinguished from Security Interest

CMP.2.12.010 Adoption by Reference

The Tribe hereby adopts and incorporates by reference Wisconsin Statutes, Chapter 401-203, Uniform Commercial Code – Lease Distinguished from Security Interest, as it may be amended from time to time (the "Wisconsin UCC1-203"), but subject to the exceptions and qualifications provided in this ordinance. In the event of any conflict between this ordinance and Wisconsin UCC1-203, this

ordinance shall control. This [this subchapter](#) may be referred to as the "Tribal UCC1-203."

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.12.010 was formerly codified as XII LCOTCL §2.1201

CMP.2.12.020 References

All references to the State of Wisconsin shall mean the Tribe. Any references to sections in the Wisconsin UCC1-203 may be referenced for purposes of this ordinance with the prefix 2.1201 instead of 401. For example, § 401.203 of the Wisconsin UCC1-203 may be cited as § 2.1201.203 of this ordinance.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.12.020 was formerly codified as XII LCOTCL §2.1202

CMP.2.12.030 Characterization of Transactions

Any characterization in this ordinance of a transaction as a sale, lease, pawn, or other transaction shall control over any contrary provision in the Tribal UCC1-203.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.12.030 was formerly codified as XII LCOTCL §2.1203

CMP.2.12.040 Preservation of Sovereign Immunity and Exclusive Jurisdiction

Nothing in [this section](#) or the Wisconsin UCC1-203 as adopted in [this section](#) shall be construed:

- (a) As a waiver of the Tribe's sovereign immunity or exclusive jurisdiction, including but not limited to the immunity of its entities, agents, officers, employees, or elected officials; or
- (b) To grant jurisdiction to any other governmental agency or entity other than the Tribe.

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.12.040 was formerly codified as XII LCOTCL §2.1204

CMP.2.12.050 Exceptions

The Tribe's adoption of the Wisconsin UCC1-203 is subject to the exceptions and comments as follows:

Wisconsin UCC1-203 Reference	Tribal UCC1-203 Exception or Comment
§ 401.203 Lease distinguished from security interest.	<p>Tribal UCC2A § 2.1201.203 is adopted with an amended subsection (4) to read as follows:</p> <p>(4) Additional consideration is nominal if it is less than the lessee's reasonably predictable cost of performing under the lease agreement if the option is not exercised. Among other bases, additional consideration is not nominal if any of the following apply: (a) when the option to renew the lease is granted to the lessee, the rent is stated to be the fair market rent, or substantially the same as fair market rent, for the use of the goods for the term of the renewal determined at the time the option is to be performed; (b) when the option to become the owner of the goods is granted to the lessee, the price is stated to be the fair market value, or substantially the same as the fair market value, of the goods determined at the time the option is to be performed.</p>
[Reserved for expansion]	

TRIBAL CONSUMER FINANCIAL SERVICES REGULATORY CODE

OF THE

LAC COURTE OREILLES BAND OF LAKE SUPERIOR CHIPPEWA INDIANS

EXHIBIT A

Application Fee to become a Financial Services Licensee (subject to wavier at the sole and absolute discretion of the Authority.....\$250.00.

Application Fee to become an Employee of a Financial Services Licensee..... \$25.00.

Application Fee to become a Vendor Licensee.....\$500.00

([Res. No. 2024-23.](#))

Prior Codifications

§CMP.2.12.050 was formerly codified as XII LCOTCL §2.1205