



AGUA CALIENTE BAND OF CAHUILLA INDIANS
TRIBAL COUNCIL

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ORDINANCE NO. 35-2026

**AN ORDINANCE OF THE AGUA CALIENTE BAND OF CAHUILLA
INDIANS ADDING A NEW CHAPTER 3.28 TO THE AGUA CALIENTE
TRIBAL CODE**

WHEREAS, the Agua Caliente Band of Cahuilla Indians (the “**Tribe**”) is a federally recognized Indian tribe governing itself according to the Constitution and By-Laws of the Agua Caliente Band of Cahuilla Indians adopted by the Tribe on June 28, 1955 (the “**Constitution**”); and

WHEREAS, the Tribe, acting by and through its duly elected Tribal Council and pursuant to Articles II and IV (a) of the Constitution, exercises inherent sovereign authority and jurisdiction over the territory within the exterior boundaries of the Agua Caliente Indian Reservation (the “**Reservation**”) and over other lands which may be added to the Reservation; and

WHEREAS, pursuant to Article V (a) and (b) of the Constitution, the Tribal Council, among other things, is empowered to administer the affairs and manage the business of the Band and to enact ordinances and resolutions pertaining to Tribal affairs and to take all proper means to enforce the same; and

WHEREAS, the Tribe recognizes that a comprehensive, uniform, and predictable body of Tribal contract law is essential to promoting economic self-sufficiency, attracting responsible business partners and investors, and supporting the long-term sustainable development of Tribal lands and resources; and

WHEREAS, the absence of a codified Tribal contract law framework has created uncertainty for counterparties contracting with the Tribe and the Corporation, and has placed undue reliance on external legal systems that do not reflect the Tribe’s sovereignty, values, or policy priorities; and

WHEREAS, the Tribal Council has determined that adopting the Uniform Commercial Code and the Restatement (Second) of Contracts as Tribal statutory law — subject to the supremacy of Tribal law and the Tribe’s inherent sovereign authority — will provide an immediately operative, well-established, and widely understood body of contract law while preserving the Tribe’s full authority to adapt, supplement, or supersede those frameworks through future legislation; and

WHEREAS, in adopting the Uniform Commercial Code, the Tribal Council has determined that Article 6 (Bulk Sales) need not be adopted at this time, consistent with the prevailing trend among U.S. jurisdictions that have repealed or declined to adopt Article 6, and the Tribal Council’s determination that the commercial circumstances of the Tribe do not presently warrant its inclusion; and



WHEREAS, the Tribal Council further finds that establishing clear rules governing the authority to contract, the scope of sovereign immunity, and the availability of remedies will protect the Tribe and Corporation from unauthorized obligations and unwarranted claims, while ensuring that parties who deal fairly and in good faith with the Tribe and Corporation have access to a fair and orderly legal process; and

WHEREAS, the Tribal Council intends that this Ordinance shall be interpreted and applied in a manner consistent with the Tribe's Constitution, Tribal Code, customs, traditions, and cultural values, and that the Tribal Court shall give effect to those values in resolving disputes arising under this chapter;

WHEREAS, the Tribal Council desires to add the chapter noted above to the Agua Caliente Tribal Code.

NOW, THEREFORE, the Tribal Council of the Agua Caliente Band of Cahuilla Indians does hereby ordain as follows:

SECTION 1. All the recitals set forth above are true and correct and the Tribal Council so finds and determines.

SECTION 2. New chapter 3.28 of the Agua Caliente Tribal Code is hereby added in its entirety.

CHAPTER 3.28 TRIBAL COMMERCIAL AND CONTRACTS ORDINANCE

Subchapter 1. General Provisions.

3.28.010. Title.

This chapter shall be referred to as the "Tribal Commercial and Contracts Ordinance."

3.28.020. Purpose.

The purpose of this chapter is to establish a comprehensive, uniform, and predictable body of Tribal law governing contracts, obligations, and commercial transactions within the jurisdiction of the Tribe. The adoption of the Uniform Commercial Code (UCC) and the Restatement (Second) of Contracts will: (1) promote certainty and fairness in business dealings; (2) facilitate economic development and investment on Tribal lands; (3) provide guidance to the Tribal Court in resolving disputes; and (4) ensure that such rules reflect and preserve the Tribe's sovereignty, customs, and cultural values.



3.28.030. Definitions.

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Contract" means any of the following: (1) any transaction, obligation, or instrument within the scope of the Uniform Commercial Code, as determined under the applicable Article thereof; (2) for agreements, promises, or obligations not within the scope of the Uniform Commercial Code, a legally enforceable agreement, promise, or obligation recognized under the Restatement (Second) of Contracts; (3) a legally enforceable agreement, promise, or obligation governed by applicable Tribal law; or (4) a lease or sublease, as those terms are defined in 25 C.F.R. § 162.003, approved or authorized under 25 U.S.C. § 415 and its implementing regulations, or under Chapter 4.16 of this Code. Any statute, regulation, or provision of federal or Tribal law referenced in this definition applies as amended, renumbered, or restated from time to time.

"Corporation" means the Agua Caliente Tribal Corporation, a federally chartered corporation of the Tribe organized pursuant to Section 17 of the Indian Reorganization Act, 25 U.S.C. § 5124, together with any of its subsidiaries, affiliates, divisions, joint ventures, and successors, but expressly excluding the Tribe itself and any of its governmental bodies, agencies, authorities, departments, enterprises, instrumentalities, organizations, subdivisions, or other entities.

"Non-Tribal" means any person or entity that is not a Tribal Member or Tribal Entity as defined in this chapter.

"Restatement" means the compilation of general contract-law principles known as the Restatement (Second) of Contracts, published by the American Law Institute (1981) limited to its black-letter provisions as adopted herein. Official comments, illustrations, and reporters' notes may be considered as persuasive authority but shall not constitute binding Tribal law unless expressly adopted by ordinance of the Tribal Council. Any amendments or successor restatements shall apply only if adopted by ordinance of the Tribal Council.

"Tribal Court" has the meaning provided in section 2.60.020 of this Code, as amended, renumbered, or restated from time to time.

"Tribal Entity" means the Tribe, the Corporation, and any governmental body, agency, authority, department, enterprise, instrumentality, organization, subdivision, or other entity wholly owned or controlled by the Tribe.

"Tribal Member" has the meaning provided in section 1.01.020 of this Code, as amended, renumbered, or restated from time to time.

"Tribe" has the meaning provided in section 1.01.020 of this Code, as amended, renumbered, or restated from time to time.



"Uniform Commercial Code" means the body of law known as the Uniform Commercial Code, as promulgated and maintained by the American Law Institute and the Uniform Law Commission, including all articles thereof and any amendments, revisions, or successor provisions adopted by the

Tribal Council. References within the Uniform Commercial Code to "this State" or "the courts of this State" shall mean the Agua Caliente Band of Cahuilla Indians and the Agua Caliente Band of Cahuilla Indians Tribal Court, respectively.

3.28.040. Jurisdiction.

(a) *Contracts with the Tribe or Corporation.* This chapter governs all contracts enforceable in the Tribal Court where: (1) the contract specifies that Tribal law governs or designates the Tribal Court as the forum to hear and decide any dispute, claim, or cause of action arising out of, relating to, or in connection with that contract, or the Tribal Court otherwise has jurisdiction under Tribal law; and (2) a Party to the contract is a Tribal Entity.

(b) *Leases and subleases.* This chapter governs all contracts enforceable in the Tribal Court where: (1) the contract specifies that Tribal law governs or designates the Tribal Court as the forum to hear and decide any dispute, claim, or cause of action arising out of, relating to, or in connection with that contract, or the Tribal Court otherwise has jurisdiction under Tribal law; and (2) the contract is a lease or sublease approved or authorized pursuant to 25 U.S.C. § 415 and its implementing regulations, or chapter 4.16 of this Code, as said laws are amended, renumbered, or restated from time to time.

(c) *Certain secured transactions.* This chapter shall not apply to any transaction within the scope of the Uniform Commercial Code that is also governed by chapter 3.24 of this Code, as amended, renumbered, or restated from time to time.

(d) *Private commercial transactions.* This chapter shall not govern contracts between Non-Tribal private parties where neither a Tribal Entity nor a Tribal Member is a party unless the Tribal Court has jurisdiction under this chapter or other Tribal law and the parties have designated Tribal law as governing. The Tribal Council may by ordinance extend this chapter to such transactions in the future.

3.28.050. Sovereign immunity.

Nothing in this chapter, the Uniform Commercial Code, or the Restatement shall be construed as a waiver of the sovereign immunity of any Tribal Entity. Any waiver shall (1) be express; (2) be in writing; (3) identify the matter and parties affected; and (4) be duly authorized as follows: (i) for the Tribe, by the Tribal Council; (ii) for the Corporation, by its Board of Directors; and (iii) for any other Tribal Entity, by the governing body or officer expressly authorized to grant such waiver under the applicable governing documents of that Tribal Entity or by resolution of the Tribal Council. All waivers shall be strictly construed in favor of the applicable Tribal Entity.



3.28.060. Choice of law and forum selection.

(a) *Choice of law.* Except as set forth herein, Tribal law shall govern contracts within the jurisdiction of the Tribal Court. Parties may designate another applicable law for the contract's substantive terms, provided the designation is not contrary to Tribal public policy. Regardless of such designation, jurisdiction, remedies, and enforcement shall be governed by Tribal law unless an express, authorized waiver provides otherwise.

(b) *Forum selection.* Designation of the Tribal Court as the forum shall constitute consent to its jurisdiction. Designation of a non-Tribal forum shall not divest the Tribal Court of concurrent jurisdiction unless exclusive jurisdiction in another forum has been expressly authorized by ordinance or resolution of the Tribal Council.

3.28.070. Legislative supremacy; judicial interpretation.

The Tribal Court shall interpret and apply this chapter, the Uniform Commercial Code, and the Restatement in deciding cases within its jurisdiction, and such interpretations shall be persuasive precedent unless altered by future legislation. The Tribal Council retains ultimate legislative authority over Tribal contract law and may amend, supplement, or repeal any provision of the Uniform Commercial Code or Restatement as adopted herein.

3.28.080. Interpretive guidance.

(a) *Purpose and scope.* This section sets forth the governing principles for the interpretation and application of this chapter, including the Uniform Commercial Code and the Restatement (Second) of Contracts as adopted by the Tribe. These principles apply to all commercial and contractual matters arising within the jurisdiction of the Tribal Court.

(b) *Binding nature of black-letter provisions.* The black-letter provisions of the Uniform Commercial Code and the Restatement, as adopted by reference in this chapter, shall constitute binding Tribal law and shall be applied by the Tribal Court accordingly. Comments, illustrations, reporters' notes, and other explanatory materials shall not be binding and shall not create substantive rights or obligations absent express legislative adoption.

(c) *Use of comments, illustrations, and notes.* In construing and applying this chapter, the Tribal Court may consider the official comments accompanying the Uniform Commercial Code, and the comments, illustrations, and reporters' notes accompanying the Restatement, as persuasive authority to aid interpretation. Such materials shall not be controlling and shall not displace the plain meaning of the black-letter provisions of the Uniform Commercial Code and the Restatement, as adopted by reference in this chapter, or any duly adopted expression of Tribal public policy.

(d) *Interpretation in accordance with Tribal sovereignty, custom, and public policy.* In construing and applying this chapter, the Tribal Court shall be guided by the following principles:



(1) *Sovereignty.* The Tribal Court shall recognize and give full effect to the Tribe's inherent sovereignty, powers of self-government, and authority to regulate conduct and relations within its jurisdiction.

(2) *Customs and traditions.* The Tribal Court shall interpret and apply this chapter consistently with the Tribe's customs, traditions, and values, and may consider oral testimony, historical practices, or other reliable evidence of Tribal customary law to ascertain such principles.

(3) *Public policy and objectives.* The Tribal Court shall interpret this chapter to promote and give effect to the Tribe's public policy as expressed through its Constitution, this Code, and duly enacted resolutions, including the goals of economic self-sufficiency, cultural preservation, and the orderly and sustainable development of Tribal lands and resources.

(4) *Consistency and deference.* The Tribal Court shall construe this chapter, where reasonably possible, to maintain harmony among all provisions of Tribal law and to defer to duly enacted expressions of Tribal public policy adopted by the Tribal Council or other authorized bodies.

3.28.090. Authority to Contract; limitation on implied obligations.

(a) *Authorized execution required.* No contract with a Tribal Entity shall be valid or enforceable unless:

(1) The contract is in writing;

(2) The contract is executed by an official expressly authorized under Tribal law; and

(3) Any required approvals under the Constitution, this Code, or duly enacted ordinances or resolutions have been obtained.

(b) *No implied, apparent, or equitable authority.* No officer, employee, agent, consultant, or representative of any Tribal Entity shall have authority to bind that Tribal Entity except as provided in Tribal law (with respect to the Tribe), the Bylaws of the Agua Caliente Tribal Corporation (with respect to the Corporation), or the applicable governing documents of the relevant Tribal Entity (with respect to any other Tribal Entity). The doctrines of apparent authority, implied authority, estoppel, detrimental reliance, unjust enrichment, promissory estoppel, or similar equitable theories shall not create a binding contractual obligation of any Tribal Entity absent compliance with subsection (a).

(c) *Ultra vires acts.* Any contract entered into without lawful authority shall be void and unenforceable against a Tribal Entity unless expressly ratified by: (i) the Tribal Council, in the case of the Tribe; (ii) the Board of Directors, in the case of the Corporation; or (iii) the governing body or officer expressly authorized to ratify such contracts under the applicable governing documents of that Tribal Entity, or by resolution of the Tribal Council, in the case of any other Tribal Entity.



(d) *No expansion of waiver.* Nothing in this chapter shall be construed to expand, imply, or create a waiver of sovereign immunity through operation of equitable doctrines or common-law principles.

Subchapter 2. Tribal Commercial Code (Uniform Commercial Code Adoption)

3.28.110. Adoption of the Uniform Commercial Code.

The Uniform Commercial Code, as promulgated by the American Law Institute and the Uniform Law Commission, is hereby adopted and incorporated by reference as Tribal statutory law within the jurisdiction of the Tribe, including the following articles: Article 1 – General Provisions; Article 2 – Sales; Article 2A – Leases; Article 3 – Negotiable Instruments; Article 4 – Bank Deposits and Collections; Article 4A – Funds Transfers; Article 5 – Letters of Credit; Article 7 – Documents of Title; Article 8 – Investment Securities; and Article 9 – Secured Transactions.

3.28.120. Filing system for secured transactions.

The Tribal Council may, by resolution, establish a Tribal filing office for UCC Article 9 financing statements or enter into cooperative filing arrangements or memoranda of understanding with another jurisdiction to accept and index such filings on behalf of the Tribe. Until such time as the Tribal Council establishes a Tribal filing office or enters into a cooperative filing arrangement, financing statements and other filings required under Article 9 shall be made with the California Secretary of State, and such filings shall be deemed effective for purposes of perfection under this chapter.

Subchapter 3. Contracts and Obligations Code (Restatement (Second) of Contracts Adoption)

3.28.210. Adoption of the Restatement (Second) of Contracts

The black-letter provisions of the Restatement (Second) of Contracts (American Law Institute, 1981) are hereby adopted and incorporated by reference as the general contract law of the Tribe. Official comments, illustrations, and reporters' notes may be considered by the Tribal Court as persuasive authority but shall not constitute binding Tribal law and shall not create substantive rights or liabilities absent express legislative adoption by the Tribal Council.

3.28.220. Procedural rules.

The Restatement shall not govern matters of practice or procedure, which are controlled by the Tribal Court Rules of Civil Procedure and other applicable Tribal rules.

3.28.230. Relationship between the Restatement and the Uniform Commercial Code.



(a) *Scope and supplementation.* The Uniform Commercial Code governs all matters within its express scope. The Restatement supplements and guides the interpretation and application of this chapter in all cases except where a matter is expressly and exclusively governed by a provision of the Uniform Commercial Code. When the Uniform Commercial Code governs a matter but is silent, ambiguous, or incomplete as to a specific issue, the Tribal Court may apply the Restatement to interpret or fill the gap in a manner consistent with the Uniform Commercial Code and Tribal public policy. The Restatement governs all other contracts and obligations outside the Uniform Commercial Code's scope, including commercial agreements that are not transactions in goods—such as service, construction, or licensing agreements—and other civil obligations recognized under Tribal law. In applying the Restatement to supplement the Uniform Commercial Code, the Tribal Court shall ensure that such application does not expand governmental liability, impair sovereign immunity, or create remedies not expressly authorized under Tribal law.

(b) *Hierarchy of authority.* In the event of inconsistency, the following hierarchy shall govern:

- (1) Express provisions of this Code or other Tribal enactments;
- (2) The Uniform Commercial Code (for commercial transactions governed by its articles);
- (3) The Restatement (for all other contracts and to supplement the Uniform Commercial Code where applicable); and
- (4) Tribal customary law and equitable principles.

3.28.240. Limitation on remedies.

(a) *General immunity from relief.* Absent an express written waiver of sovereign immunity duly authorized pursuant to section 3.28.050, no monetary judgment, injunctive relief, declaratory relief, or other remedy shall be entered against any Tribal Entity.

(b) *Restriction on damages.* Even where a waiver has been expressly granted, no award of punitive damages, exemplary damages, treble damages, consequential damages, incidental damages, or other damages beyond direct compensatory damages shall be permitted against any Tribal Entity unless expressly authorized in the waiver.

SECTION 3. The Tribal Council hereby finds that the adoption of this Ordinance does not constitute a "Major Tribal Action" requiring the preparation of an environmental assessment or an environmental impact statement.



SECTION 4. If any section, subsection, phrase, or clause of this Ordinance is for any reason held to be unlawful or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The Tribal Council hereby declares that it would have passed this Ordinance and each section, subsection, phrase, or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses be declared unlawful or unconstitutional.

SECTION 5. Nothing contained in this Ordinance is intended to, nor does in any way, limit, alter, restrict, or waive the Agua Caliente Band of Cahuilla Indians' sovereign immunity.

SECTION 6. The Tribal Council expressly reserves the right to alter, amend, or repeal this Ordinance if it determines that such action is in the best interest of the Tribe.

SECTION 7. This Ordinance shall become effective immediately upon its adoption.

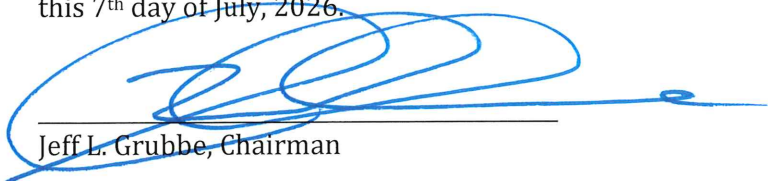
SECTION 8. Upon the effective date of this Ordinance, all prior inconsistent resolutions, policies, ordinances, and/or procedures of the Tribe that pertain to the subject matter hereof are hereby repealed, superseded, and/or amended to comply with this Ordinance.

SECTION 9. This Ordinance shall apply prospectively only. No provision of this Ordinance shall be construed to impair, affect, or alter the validity, enforceability, or interpretation of any contract, transaction, or legal right that was entered into, accrued, or vested prior to the effective date of this Ordinance. All contracts and legal rights existing prior to the effective date of this Ordinance shall continue to be governed by the law in effect at the time they were created, unless expressly provided otherwise by Tribal law.

SECTION 10. Within fifteen (15) days after adoption, Tribal staff shall cause a summary of this Ordinance to be published one time in a newspaper of general circulation published and circulated on the Reservation.



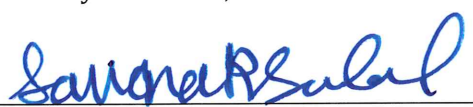
BE IT ADOPTED AND ENACTED by the Tribal Council of the Agua Caliente Band of Cahuilla Indians, this 7th day of July, 2026.



Jeff L. Grubbe, Chairman

ABSENT

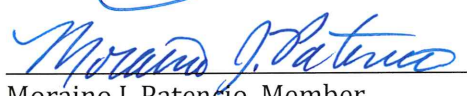
Anthony W. Purnel, Vice Chairman



Savana R. Saubel, Secretary-Treasurer

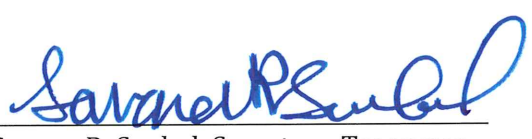


Vincent Gonzales III, Member



Moraino J. Patencio, Member

I, the undersigned, the Secretary-Treasurer of the Agua Caliente Band of Cahuilla Indians, hereby certify that the Tribal Council is composed of five members of whom 4, constituting a quorum, were present at a meeting whereof, duly called, noticed, convened and held on this 7th day of July, 2026; that the foregoing Ordinance was duly adopted at such meeting by the affirmative vote of 3-0-0 and that said Ordinance has not been rescinded or amended in any way.



Savana R. Saubel, Secretary-Treasurer