United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

TAKE PRIDE IN AMERICA

MAR 19 1993

Honorable Martin Antone
Chairman, Ak-Chin Indian
Community Council
Route 2, Box 27
Maricopa, Arizona 85239

Dear Chairman Antone:

On February 11, 1993, we received the Ak-Chin Indian Community (Tribe) and the State of Arizona (State) Gaming Compact of 1993.

We have reviewed the Compact and conclude that it does not violate the Indian Gaming Regulatory Act (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of the IGRA, we approve the Compact. The Compact shall take effect when notice of our approval, pursuant to Section 11(d)(3)(B) of the IGRA, is published in the FEDERAL REGISTER.

Notwithstanding our approval of the Compact, Section 11(d)(1) of the IGRA (25 U.S.C. § 2710(d)(1)) requires that tribal gaming ordinances be approved by the Chairman of the National Indian Gaming Commission (NIGC). On July 8, 1992, the NIGC published in the FEDERAL REGISTER proposed regulations to govern approval of Class II and Class III gaming ordinances. The final regulations were published in the FEDERAL REGISTER on January 22, 1993 (58 Fed. Reg. 5802), and became effective on February 22, 1993. Under the statute and regulations, even previously existing gaming ordinances must be submitted to the NIGC for approval when requested by the Chairman. The Tribe may want to contact the NIGC at (202) 632-7003 for further information to determine when and how to submit the ordinance for approval by the NIGC.

Some tribal constitutions have an independent requirement that certain types of tribal ordinances be submitted to the Secretary of the Interior for approval before being effective. Article VIII, Section 1(k), of the Articles of Association of the Ak-Chin Indian Community of Arizona would appear to

require the Secretary to approve the gaming ordinance. Authority to approve such ordinances on behalf of the Secretary has been delegated to the Superintendent.

We wish the Tribe and the State success in this economic venture.

Sincerely,

/S/ Eddie F. Brown

Assistant Secretary - Indian Affairs

Enclosures

Identical Letter Sent to: Honorable Fife Symington
Governor of Arizona
1700 W. Washington
Phoenix, Arizona 85007

cc: Phoenix Area Director w/copy of approved Compact
Supt., Pima Agency w/copy of approved Compact
Neil McDonald, SOL-IA (2)
National Indian Gaming Commission w/copy of approved Compact,
Phoenix Regional Solicitor w/copy of approved Compact
Arizona United States Attorney w/copy of approved Compact

RECEIVED 4-21-93 NIGC

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of Approved Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the Federal Register, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority, has approved the Ak-Chin Indian Community and the State of Arizona Gaming Compact of 1993, enacted on February 5, 1993.

DATES: This action is effective March 31, 1993.

FOR FURTHER INFORMATION CONTACT: Hilda Manuel, Director, Indian Gam Management Staff, Bureau of Indian Affairs, Washington, DC 20240, (202 219–4068.

Dated: March 19, 1993.

Eddie F. Brown,

Assistant Secretary—Indian Affairs.

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THE AK-CHIN INDIAN COMMUNITY

AND

THE STATE OF ARIZONA

GAMING COMPACT OF 1993

TRIBAL-STATE COMPACT BETWEEN THE AK-CHIN INDIAN COMMUNITY AND THE STATE OF ARIZONA 1993

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TRIBAL-STATE COMPACT BETWEEN THE AK-CHIN INDIAN COMMUNITY AND THE STATE OF ARIZONA

DECLARATION OF POLICY AND PURPOSE

WHEREAS, the Congress of the United States has enacted the Indian Gaming Regulatory Act of 1988, Pub. L. 100-497, 25 U.S.C. §§ 2701-2721 and 18 U.S.C. §§ 1166-1168 ("IGRA") providing for the omnibus regulation of gaming activities on Indian lands as defined therein; and

WHEREAS, the State of Arizona, by and through its Governor, the Hon. Fife Symington, and the Ak-Chin Indian Community, by and through its Chair, the Hon. Martin Antone, jointly recognize the legitimate governmental interests of the State of Arizona and the Ak-Chin Indian Community with regard to the conduct of class III gaming activities and related matters, as defined in IGRA, upon and within Indian lands within the State of Arizona; and

WHEREAS, it is the mutual desire and objective of the State of Arizona and the Ak-Chin Indian Community to authorize and facilitate the establishment and regulation of the class III Gaming Operation on Indian lands of the Ak-Chin Indian Community as provided for under the terms and conditions of the following Tribal-State Compact between the Ak-Chin Indian Community and State of Arizona; and

WHEREAS, the Ak-Chin Indian Community and the State are separate sovereigns, and each recognizes and respects the laws and authority of the other sovereign; and

WHEREAS, the Ak-Chin Indian Community and the State have negotiated the terms and conditions of this Compact to provide a regulatory framework for the operation of certain class III gaming which is intended to (a) insure the fair and honest operation of such gaming activities and maintain the integrity of all activities conducted in regard to such gaming activities; and

protect the public health, welfare and safety, and;

WHEREAS, the State of Arizona recognizes that there is no judicial order compelling it to negotiate for a compact with the Ak-Chin Indian Community;and, the State of Arizona recognizes that in the case entitled Yavapai-Prescott Indian Tribe v. Arizona, Case No. CIV-91-1696 PCT PGR, the United States District Court for the District of Arizona has issued a ruling requiring the State of Arizona to negotiate for a compact with a number of Indian tribes; and, in light of that ruling, which is presently on appeal to the United States Court of Appeals for the Ninth Circuit, the State of Arizona believes that other Indian tribes will obtain the same ruling if they were to file similar lawsuits; therefore, in the interest of avoiding multiple and unnecessary lawsuits and to further judicial economy, the State of Arizona has concluded that it will negotiate with Indian tribes in the State of Arizona which have not filed lawsuits against the State of Arizona,

NOW, THEREFORE, the parties hereto, by and through their respective representatives will execute this Tribal-State Compact between the Ak-Chin Indian Community and the State of Arizona.

SECTION 1. TITLE

This document shall be referred to as "Tribal-State Compact Between the Ak-Chin Indian Community and the State of Arizona."

SECTION 2. DEFINITIONS

For the purposes of this Compact:

(a) "Act" means the Indian Gaming Regulatory Act of 1988, Pub. L. 100-497, 25 U.S.C. §§ 2701-2721 and 18 U.S.C. §§ 1166-1168.

(b) "Ak-Chin Indian Community Gaming Agency" means the agency of the Ak-Chin Indian Community as the Community may from time to time designate by written notice to the State, as the Community agency primarily responsible for oversight of class III gaming as authorized by this Compact.

(c) "Applicant" means any person who has applied for a license, under the provisions of this Compact, or employment with the Community Gaming Operation, or approval of any act or transaction for which approval is required or permitted under the provisions of this Compact.

(d) "Application" means a request for the issuance of a license or for employment by the Gaming Operation, or for approval of any act or transaction for which approval is required or permitted under the provisions of this Compact.

(e) "Class I Gaming" means all forms of gaming defined as class I in Section 4(6) of the Act, 25 U.S.C. § 2703 (6).

(f) "Class II Gaming" means all forms of gaming defined as class II in Section 4(7) of the Act, 25 U.S.C. § 2703 (7).

(g) "Class III Gaming" means all forms of gaming that are not class I gaming or class II gaming as respectively defined in 25 U.S.C. § 2703 (6) and (7) and the regulations promulgated to clarify such provisions of the Act.

(h) "Commission" means the National Indian Gaming Commission established

pursuant to 25 U.S.C. § 2704.

(i) "Community" means the Ak-Chin Indian Community, and its authorized officials, agents and representatives.

(j) "Community Law Enforcement" means the police force of the Ak-Chin Indian Community established and maintained or contracted for by the Community pursuant to the Community's powers of self-government to carry out law enforcement within the Ak-Chin Indian Community lands. Members of the Community Law Enforcement Agency involved in the enforcement of Community gaming ordinances, regulations and of this Compact, shall attend or have attended the Arizona Law Enforcement Training Center or shall receive or have received comparable training from the Federal Bureau of Investigation or the Bureau of Indian Affairs.

(k) "Compact" means the Tribal-State Compact between the Ak-Chin Indian Community and the State of Arizona, including all appendices.

(l) "Distributor" means a person who distributes class III gaming devices and/or component parts thereof.

(m) "Electronic Game of Chance" means a microprocessor-controlled electronic device which allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a token, coin or currency, or by the use of a credit, and which awards game credits, cash, tokens, or replays. Game play may be displayed by:

(i) Video facsimile; or

(ii) Mechanical rotating reels whereby the software of the device predetermines the stop positions and the presence, or lack thereof, of a winning combination and pay-out, if any.

(n) "Executive Director" means the Executive Director appointed by the Ak-Chin Gaming Agency pursuant to Section 6 of this Compact.

(o) "Gaming Device" means collectively any slot machine, electronic game of chance

or video game of chance.

(p) "Gaming Employee" means any person employed in the operation or management of the Gaming Operation, whether employed by or contracted to the Community, or by any person or entity providing on or off-site services to the Community within or without the Gaming Facilities regarding the class III gaming authorized by this Compact, including, but not limited to, Gaming Operation managers and assistant managers; accounting personnel; surveillance personnel; security personnel; cashiers; supervisors; shift bosses; machine mechanics; gaming consultants; management companies and their principals; and any other natural person whose employment duties require or authorize access to restricted areas of the Gaming Facilities not otherwise open to the public.

(q) "Gaming Facility" means the building, room, rooms or that portion of a room in which the class III gaming authorized by this Compact is conducted on Ak-Chin Indian Community lands on the reservation located in Pinal County, Arizona.

(r) "Gaming Operation" means the enterprise owned by the Community on Community lands for the conduct of the class III gaming authorized by this Compact.

(s) "Gaming Ordinance" means any duly enacted ordinance of the Community, if meeting the requirements of 25 U.S.C. § 2710 (d)(2), which governs the conduct of gaming activities within the Community, all amendments thereto, and all regulations promulgated thereunder.

(t) "Gaming Services" means the providing of any goods or services to the Community directly in connection with the operation of class III gaming in a Gaming Facility, including, but not limited to, equipment, transportation, food, linens, janitorial supplies, maintenance, or security services for the Gaming Facility.

(u) "Key Employee" means a gaming employee who performs one or more of the following functions:

(i) Counting room supervisor;

(ii) Chief of security;

(iii) Custodian of gaming supplies or cash;

(iv) Floor manager;

(v) Custodian of gaming devices including persons with access to cash and accounting records within such devices; or

(vi) If not otherwise included in paragraphs (i) through (v) of the foregoing, any other person whose total cash compensation is in excess of fifty thousand dollars ($50,000) per year, or, if not otherwise included, the four most highly compensated persons in the Gaming Operation.

(v) "License" means an approval issued by the Ak-Chin Indian Community Gaming Agency to any natural person or entity to be involved in the Gaming Operation or in the providing of gaming services to the Community.

(w) "Licensee" means any natural person or entity who has been licensed by the Ak-Chin Indian Community Gaming Agency to be involved in the Gaming Operation or in the providing of gaming services to the Community.

(x) "Local Law Enforcement Agency" means any law enforcement agency in the vicinity of the Gaming Operation and which has jurisdiction to enforce local and State laws within the Ak-Chin Indian Community lands, or is subject to the terms of a cross-deputization agreement.

(y) "Management Contract" means any management agreement entered into by and between the Community and a Manager within the meaning of 25 U.S.C. §§ 2710 (d)(9)and 2711

(z) "Manager" means a natural person or entity that has entered into a management contract with the Community which has been approved pursuant to 25 U.S.C. § § 2710 (d)(9) and 2711.

(aa) "Manufacturer" means a natural person or entity that manufactures gaming devices and/or component parts thereof as defined by this Compact or its appendices for use or play

in the Gaming Facilities.

(bb) "Person" includes a corporation, company, partnership, firm, association or society, as well as a natural person. When the word "person" is used to designate the party whose property may be the subject of a criminal or public offense, the term includes the United States, this State, or any territory, state or country, or any political subdivision of this State which may lawfully own any property or a public or private corporation, or partnership or association. When the "person" is used to designate the violator or offender of any law, it includes a corporation, partnership or any association of persons.

(cc) "Principal" means with respect to any entity:

(i) When a person is a party to a management contract, any person having a direct financial interest in such management contract;

(ii) When a trust is a party to a management contract, any beneficiary or trustee;

(iii) When a partnership is a party to a management contract, any partner;

(iv) When a corporation is a party to a management contract, any person who is a director or who holds at least 10 percent of the issued and outstanding stock alone or in combination with another stockholder who is a spouse, parent, child or sibling;

(v) When an entity other than a natural person has an interest in a trust, partnership or corporation that has an interest in a management contract, all parties of that entity; or

(vi) Each person other than a federally regulated financial institution who has provided financing for the entity constituting more than ten (10) percent of the total financing of the entity.

(dd) "Regulation" or "Ordinance" means a rule, standard, directive or statement of general applicability which effectuates the provisions and policy of this Compact.

(ee) "Reservation" or "Ak-Chin Indian Community Lands" mean Indian lands as defined by 25 U.S.C. § 2703 (4)(A) and (B). The terms "reservations" or "Ak-Chin Indian Community lands" shall not include those lands acquired by the United States in trust for the benefit of the Community after October 17, 1988, which are excluded from the provisions of the Act pursuant to Section 20(a) of the Act, 25 U.S.C. § 2719 (a).

(ff) "Slot Machine" means any mechanical or electronic device into which a player deposits coins, currency or tokens and from which coins, currency or tokens are paid out when a particular, randomly determined configuration of symbols appears on the reels or screen of the device.

(gg) "State" means the State of Arizona, its authorized officials, agents and representatives.

(hh) "State Certification" means the process utilized by the State Gaming Agency to ensure that all persons required to be licensed/certified are qualified to hold such license/certification in accordance with the provisions of this Compact.

(ii) "State Gaming Agency" means the agency of the State as the Governor may from time to time designate by written notice to the Community as the state agency primarily responsible for oversight of the class III gaming as authorized by this Compact.

(jj) "Video Game of Chance" means a game of chance played on microprocessor-controlled devices that simulate games commonly referred to as poker, blackjack, craps, hi-lo, keno, roulette, line-up-symbols and numbers, or other common gaming forms which are activated by the insertion of a coin, token or currency and which award coins,

tokens, currency, additional plays or a written or displayed statement of the amount of a prize which is redeemable for cash and/or contains a meter or device to record unplayed credits or replays.

SECTION 3. NATURE, SIZE AND CONDUCT OF CLASS III GAMING

(a) Authorized Class III Gaming Activities. The parties agree that the Ak-Chin Indian Community may conduct under this Compact the following class III gaming activities:

(i) Gaming devices;

(ii) Lottery;

(iii) Off-track pari-mutuel wagering;

(iv) Horse racing.

(v) Dog racing.

(b) Appendices Governing Gaming. The parties agree that prior to the Ak-Chin Indian Community conducting any of the gaming activities authorized in subsection (a) of this section, the parties shall amend this Compact to include a mutually agreed-upon appendix setting forth the operational standards, specifications and regulations governing such gaming. In addition, any disputes regarding the contents of such appendices shall be resolved in the manner set forth in Section 15 of this Compact.

(c) Number of Gaming Devices. The number of authorized gaming devices for use on Ak-Chin Indian Community lands shall not exceed a total of two hundred and fifty (250) gaming devices. In addition:

(i) In the event the State authorizes the use of more than two hundred and fifty (250) gaming devices during the first six (6) month period of this Compact by any other Indian Tribe within the State of Arizona, the two hundred and fifty (250) gaming device limitation shall be inapplicable and the Ak-Chin Indian Community shall be authorized to use that number of additional

gaming devices greater than two hundred and fifty (250) up to the number allowed for use by any other Indian Tribe.

(ii) If, during the twelve (12) month period following the first six (6) month period of this Compact, any other Indian Tribe within the State is allowed to use more than two hundred and fifty (250) gaming devices, the two hundred and fifty (250) gaming device limitation shall be inapplicable and the Ak-Chin Indian Community shall be authorized to use that number of additional gaming devices greater than two hundred and fifty (250) up to the number allowed for use by any other Indian tribe.

(iii) The Gaming Operation shall only offer for play by the public at the Gaming Facilities gaming devices that:

(A) Comply with the Technical Standards for Gaming Devices as set forth in Appendix A, and

(B) Have been leased, purchased or otherwise obtained from licensed and certified manufacturers and distributors.

(iv) The Ak-Chin Indian Community Gaming Agency shall require each licensed and certified manufacturer and distributor to verify under oath, on forms provided by the Ak-Chin Indian Community Gaming Agency, that the gaming devices manufactured or distributed by them for use or play at the Gaming Facilities meet the requirements of this section.

(v) The Ak-Chin Indian Community Gaming Agency and the State Gaming Agency by mutual agreement may require the testing of any gaming device

to ensure compliance with the requirements of this section. Any such testing shall be conducted according to the technical standards contained in Appendix A and shall be at the expense of the licensed manufacturer.

(d) Acceptance of Limitation. The Community and State agree that with respect to any other class III gaming, the Community shall not offer or operate any class III gaming pursuant to the terms of this Compact other than the gaming activities specifically provided in Section 3(a) above.

(i) The Community agrees that during the first twenty-four (24) months of this Compact it will not request an amendment to this Compact to permit it to offer or operate any other class III gaming unless:

(A) A Tribal-State Compact becomes effective in the State with another Indian tribe during that twenty-four (24) month period which expands authorized class III gaming, or

(B) The laws of the State are amended to permit class III gaming not authorized under this Compact, in which case the Community may immediately seek an amendment to this Compact to include such additional class III gaming.

(ii) In the event that the Community requests an amendment to expand gaming under Section 3(d)(i), then the Community and the State agree to be bound by the remedial procedures, including mediation if applicable, set forth in any final order or judgment of a court of competent jurisdiction, providing that all appeals have been exhausted. Additionally, the parties shall not be bound by such a judgment or order if the provisions of 25 U.S.C. § 2710 (d) have been held unconstitutional or otherwise invalid in a final judgment in any case by any United States Circuit Court of Appeal or the United States

Supreme Court. In the event that no such final order or judgment is then in effect providing remedial procedures as between the Community and the State, such request shall be deemed to be one to negotiate a Compact under 25 U.S.C. § 2710 (d)(3).

(e) Authorized Gaming Operation. The Community agrees to establish not more than two (2) Gaming Facilities on Ak-Chin Indian Community lands for the operation of the class III gaming authorized pursuant to Compact. The Gaming Facilities shall be located at not more than two (2) locations to be specified in the Compact prior to its execution.

(f) Forms of Payment. All payment for wagers made on class III gaming activities conducted by the Community on its Community lands, including the purchase of tokens for use in wagering, shall be made by cash, cash equivalent, credit card or personal check. Personal checks shall not be honored in excess of two hundred and fifty dollars ($250) per person per day. Automatic Teller Machines (ATMs) may be installed at the Gaming Facilities.

(g) Wagering Limitations. The maximum wager authorized for any single play of a gaming device is eight dollars ($8).

(h) Hours of Operation. The maximum number of operating hours for the class III Gaming Operation authorized by this Compact shall not exceed one hundred and forty-eight (148) hours per week. The Community agrees to schedule the hours of operation to best comply with market conditions and to operate any day of the week. The Gaming Operation shall be closed to the public from 2:00 a.m. to 6:00 a.m.

(i) Ownership of Gaming Facilities and Gaming Operation. The Gaming Facilities and Gaming Operation shall be owned solely by the Community. This provision shall not be construed to prevent the Community from granting security interests or other financial accommodations to secure parties, lenders or others, or to prevent the Community from entering into true leases or financing leases; provided, that the principals of any entity providing such security interests, financial accommodations to lenders, leases or financing of leases must be

licensed and certified pursuant to the terms of this Compact. Entities other than lending institutions licensed and regulated by the State or the United States must be certified by the State Gaming Agency.

(j) Prohibited Activities. Any class III gaming not specifically authorized in this Section is prohibited. Except as provided herein, nothing in this Compact is intended to prohibit otherwise lawful and authorized class II gaming upon Ak-Chin Indian Community lands or within the Gaming Facilities.

(k) Prohibition on Minors. No person under the age of eighteen (18) shall participate in the Gaming Operation, nor be permitted to place any wager, directly or indirectly or be allowed in any area where gaming devices are located during actual hours of operation. If liquor is served at the Gaming Facilities, no person under the age of twenty-one (21) shall participate in the Gaming Operation except as permitted by State law.

(l) Prohibition on Firearms. The possession of firearms by any person within the Gaming Facilities shall be strictly prohibited; provided, this prohibition shall not apply to authorized agents of the State or Tribal Law Enforcement Agency, State Gaming Agency, Ak-Chin Indian Community Gaming Agency, or State, local and federal law enforcement agencies and duly authorized representatives of armored car services.

(m) Financing. Any third-party financing extended or guaranteed for the Gaming Operation and Gaming Facilities shall be disclosed to the State Gaming Agency and parties extending such financing shall be required to be licensed by the Community and annually certified by the State Gaming Agency, unless said party is an agency of the United States or a member institution of the Federal Deposit Insurance Corporation or is otherwise regulated by the Comptroller of the Currency.

(n) Record-Keeping. To ensure integrity, the Community Gaming Operation shall maintain the following logs as written or computerized records which shall be available for inspection by the State Gaming Agency in accordance with Section 7(b) of this Compact: a security

log recording all unusual occurrences for which the assignment of an Ak-Chin Indian Community Gaming Agency employee is made; and a surveillance log recording all material surveillance activities in the monitoring room of the Gaming Facilities. In addition, in accordance with the requirements of the Appendix C, videotape recordings shall be maintained by the Community Gaming Operation for a period of seven (7) days from the date of original recording, consistent with the provisions of Section 6(b)(xv) of this Compact.

(o) Persons Excluded. The Ak-Chin Indian Community Gaming Agency shall establish a list of persons barred from the Gaming Facilities because their criminal history or association with career offenders or career offender cartels poses a threat to the integrity of the gaming activities of the Community. The Ak-Chin Indian Community Gaming Agency shall employ its best efforts to exclude persons on such list from entry into its Gaming Facilities. The Ak-Chin Indian Community Gaming Agency shall send a copy of its list on a monthly basis to the State Gaming Agency.

SECTION 4. COMMUNITY-STATE LICENSING AND CERTIFICATION REQUIREMENTS

(a) Gaming Operation and Gaming Facilities. The Gaming Operation and Gaming Facilities authorized by this Compact shall be licensed by the Ak-Chin Indian Community Gaming Agency in conformance with the requirements of this Compact prior to commencement of operation, and annually thereafter. The Ak-Chin Indian Community Gaming Agency shall license each principal, key employee and other employee deemed necessary by the State Gaming Agency. Verification of this requirement shall be made by the State Gaming Agency and Ak-Chin Indian Community Gaming Agency through a joint pre-operation inspection and letter of compliance. The State Gaming Agency shall send a compliance letter within seven (7) working days after the completion of the inspection if the inspection reveals that the Gaming Operation comports with the terms of this Compact. If the State Gaming Agency determines that the Gaming Operation does not comport with the terms of this Compact, a non-compliance letter shall be sent

within seven (7) working days of the inspection that shall set forth the matters of non-compliance upon which the State Gaming Agency bases its decision. If a dispute arises during the inspection, it shall be resolved pursuant to Section 15 of this Compact.

(b) Gaming Employees. Except as otherwise provided in Section 5(q), every gaming employee shall be licensed by the Ak-Chin Indian Community Gaming Agency and shall be certified by the State Gaming Agency prior to commencement of employment, and annually thereafter, subject to the grace period provided in Section 5(n). In addition, every member and/or employee of, independent contractor, or volunteer performing gaming services on behalf of the Ak-Chin Indian Community Gaming Agency shall, subject to the provisions of Section 5(n), be certified by the State Gaming Agency, provided, however, that Community council members shall not be subject to this certification requirement. The Ak-Chin Indian Community Gaming Agency and the State Gaming Agency shall retain the right to conduct additional background investigations of any gaming employee at any time during the term of that person's employment.

(c) Management Companies. Any management company, including its principals, engaged by the Community to assist in the management or operation of the Gaming Facilities or Gaming Operation shall be subject to the licensing requirements of the Ak-Chin Indian Community Gaming Agency, the National Indian Gaming Commission, and, shall be required to obtain state certification prior to providing management services for class III gaming authorized by this Compact. The certification shall be renewed annually thereafter.

(d) Manufacturers and Suppliers of Gaming Devices and Gaming Services. Each manufacturer and supplier of gaming devices or gaming services shall be licensed by the Ak-Chin Indian Community Gaming Agency and shall be certified by the State Gaming Agency prior to the sale or lease of any gaming devices or gaming services. Individual unrelated vendors of gaming services of less than five thousand dollars ($5,000) in any single month shall be exempt from the licensing and certification requirements of this paragraph, provided that the Community shall disclose the identities and addresses of such vendors on a periodic basis at the time of the

meetings required pursuant to Section 6(i) of this Compact. Nothing in this paragraph shall be construed to permit the artificial structuring of vendor relationships to circumvent the licensing and certification requirements of this section. The licensing and certification shall be renewed annually thereafter.

SECTION 5. PROCEDURES FOR COMMUNITY LICENSING AND STATE CERTIFICATION

(a) Procedures for Community License Applications and State Certification. Any applicant for a Community gaming license and for State certification shall submit the completed application along with the required information to the Ak-Chin Indian Community Gaming Agency and to the State Gaming Agency. Each completed State certification application shall be accompanied by the applicant's fingerprint card(s), current photograph, and the fee required by the State Gaming Agency.

(b) Background Investigation of Applicants. Upon receipt of a completed application and required fee for State certification, the State Gaming Agency shall conduct the necessary background investigation to ensure the applicant is qualified for State certification. The State Gaming Agency shall expedite State certification applications. Upon completion of the necessary background investigation, the State Gaming Agency shall either issue a State certification and forward a copy to the Ak-Chin Indian Community Gaming Agency, or deny the application. If the application for certification is denied, a statement setting forth the grounds for denial shall be forwarded to the Ak-Chin Indian Community Gaming Agency and all other documentation relied upon by the State Gaming Agency to the extent allowed by State law.

(c) Notification to Applicant. The applicant shall be notified by the Ak-Chin Indian Community Gaming Agency of the status of the application within ten (10) days after the Ak-Chin Indian Community Gaming Agency receives the State Gaming Agency's recommendation for certification or denial.

(d) Community Licensing Option. The Ak-Chin Indian Community Gaming Agency

shall not be required to grant an application for a license even if the State Gaming Agency approves an application unless it is satisfied that the applicant is:

(i) A person of good character, honesty and integrity;

(ii) A person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of the Community or the State or to the effective regulation and control of gaming pursuant to this Compact, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto; and

(iii) In all other respects qualified to be licensed consistent with the policies set forth in this Compact.

(e) Notification of Change of Principals. After a corporation is licensed, it shall file a report of each change of its principals with the Ak-Chin Indian Community Gaming Agency. Each new principal shall file a complete application within thirty (30) days after appointment or election. The Ak-Chin Indian Community Gaming Agency shall forward a copy of the application to the State Gaming Agency for investigation and the new principal shall be entitled to continue to exercise all powers of office unless the State Gaming Agency denies certification or if the Ak-Chin Indian Community Gaming Agency disapproves the change or denies the application.

(f) Grounds for Revocation, Suspension or Denial of State Certification. The State Gaming Agency may revoke, suspend or deny a State certification for reasons it deems to be in the interest of public health, safety, or welfare. For the purpose of reviewing any application for a State certification and for considering the denial, suspension or revocation of any State certification, the State Gaming Agency may consider any prior criminal conduct of the applicant or holder of

certification. Reasons for such revocation, suspension or denial shall include, but not be limited to, when an applicant or holder of certification:

(i) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of this Compact or any provision of any State Gaming Agency rule, or when any such violation has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control;

(ii) Knowingly causes, aids, abets, or conspires with another to cause any person or entity to violate any of the laws of this State or the rules of the State or Ak-Chin Indian Community Gaming Agency, or the provisions of this Compact;

(iii) Has obtained a State certification or Community license by fraud, misrepresentation, concealment or through inadvertence or mistake;

(iv) Has been convicted of, or forfeited bond upon a charge of, or pleaded nolo contendre or guilty to, a gaming-related offense, an offense involving fraud, misrepresentation or deception, a drug-related offense, forgery, larceny, extortion, conspiracy to defraud, willful failure to make lawfully required reports or payments to any Community, State or United States governmental agency at any level, or of filing false reports therewith, or for bribing or otherwise unlawfully influencing a public official or employee of the Community, or of any State, or for causing physical harm to individuals, or for any felony.

(v) Makes a misrepresentation of, or fails to disclose a material fact to the State Gaming Agency or the Ak-Chin Indian Community Gaming Agency;

(vi) Fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of this section;

(vii) Is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under subsection (iv) of this section; provided, that at the request of an applicant for an original certification, the State Gaming Agency may defer decision upon the application during the pendency of such prosecution or appeal;

(viii) Has had a gaming license issued by any state or Tribe in the United States revoked or denied;

(ix) Has demonstrated a willful disregard for compliance with gaming regulatory authority in any jurisdiction other than the State of Arizona, including suspension, revocation, denial of application or forfeiture of license;

(x) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal laws of this State if such pursuit creates probable cause to believe that the participation of such person in gaming or related activities would be detrimental to the proper operation of an authorized gaming or related activity in this State. For the purposes of this paragraph, occupational manner or context shall be defined as the

systematic planning, administration, management or execution of an activity for financial gain;

(xi) Is a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel in such a manner which creates probable cause to believe that the association is of such a nature as to be detrimental to the proper operation of the authorized gaming or related activities in this State. For the purposes of this paragraph,"career offender" or "career offender cartel" means any person or combination of persons or enterprises engaging, or having the purpose of engaging, on a continuing basis in conduct which violates any one or more provisions of any felony statute of this State or other state of the United States; or

(xii) Is a person whose prior activities, criminal record, if any, reputation, habits and associations pose a threat to the public interest of the Community or the State or to the effective regulation and control of class III gaming, or creates or enhances the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of class III gaming, or the carrying on of the business and financial arrangements incidental thereto.

(g) Right to Hearing for Revocation, Suspension or Denial of State Certification. Any applicant for State certification, or holder of a State certification shall be entitled to a full hearing on any action by the State Gaming Agency which may result in the revocation, suspension, or denial of State certification. The hearing shall be conducted in accordance with the procedures contained in the applicable provisions of the Arizona Administrative Procedures Act, A.R.S. §§ 41-1001 et seq. or the State Gaming Agency administrative rules; provided, the State, after consultation with the Ak-Chin Indian Community Gaming Agency, may defer such actions to the

Ak-Chin Indian Community Gaming Agency. Nothing herein shall prevent the Ak-Chin Indian Community Gaming Agency from invoking its disciplinary procedures.

(h) Revocation, Suspension or Denial of Licenses Issued by Ak-Chin Indian Community Gaming Agency. The revocation, suspension or denial of any Community gaming license by the Ak-Chin Indian Community Gaming Agency shall be in accordance with procedures set forth in the Community ordinances and regulations, and the grounds for such actions shall not be less stringent than those of this section. The Ak-Chin Indian Community Gaming Agency shall revoke any existing license upon the happening of any event which would have made the licensee ineligible for a license if the event had occurred prior to the issuance of a license.

(i) Duration and Renewal of Community Licenses and State Certifications. Any Community license or State certification shall be effective for one (1) year from the date of issuance; provided, that a licensed or certified employee or party that has applied for renewal may continue to be employed under the expired license or State certification until action is taken on the renewal application by the Ak-Chin Indian Community Gaming Agency or State Gaming Agency. Applicants for renewal of license or certification shall provide updated material as requested, on the appropriate renewal forms, but shall not be required to resubmit historical data already available to the Ak-Chin Indian Community Gaming Agency or the State Gaming Agency. Additional background investigation shall not be required unless new information concerning the applicant's continuing eligibility for a license or a State certification is discovered by either the Ak-Chin Indian Community Gaming Agency or the State Gaming Agency.

(j) Identification Cards. The Ak-Chin Indian Community Gaming Agency shall require all gaming employees to wear in plain view identification cards issued by the Ak-Chin Indian Community Gaming Agency which include photo, first and last name and an identification number unique to the individual Community license and which shall include a Community seal or signature, and a date of expiration.

(k) Exchange of Community Licensing and State Certification Information. In an effort to ensure a qualified work force in the class III gaming authorized by this Compact, and in all types of gaming authorized under the laws of this State, upon completion of any administrative action against a holder of a Community license or State certification, the final disposition shall be forwarded to either the Ak-Chin Indian Community Gaming Agency or the State Gaming Agency, as appropriate, and maintained as part of both agencies' permanent records.

(l) Fees for State Certification. The fees for State certification shall be the following:

(i)	Gaming Employee Initial Certification	$ 150
(ii)	Gaming Employee - Renewal	$ 75
(iii)	Management Companies and/or Financiers Initial Certification	$1500
(iv)	Management Companies and/or Financiers Renewal	$ 500
(v)	Manufacturers and Suppliers Initial Certification	$1500
(vi)	Manufacturers and Suppliers - Renewal	$ 500

In the event actual costs incurred by the State Gaming Agency exceed the above fees, those costs will be assessed to the applicant during the investigation process. Payment in full to the State Gaming Agency shall be required prior to the issuance of State certification. The State may require manufacturers, suppliers, management companies and financiers applying for State certification to post a bond sufficient to cover the actual costs that the State Gaming Agency anticipates will be incurred in conducting a background investigation of the manufacturer, supplier, management company or financier. Notwithstanding any other provision of this Compact, the State Gaming Agency may modify any of the above fees by giving the Community sixty (60) days notice of intent to modify fees. Should a dispute arise under this section, it shall be resolved pursuant to Section 15 of this Compact.

(m) Fees for Community License. The fees for all gaming employee licenses shall be

set by the Ak-Chin Indian Community Gaming Agency.

(n) Temporary Certification of Gaming Employees. Unless the background investigation undertaken by the State Gaming Agency within twenty (20) days of the receipt of a completed application discloses that the applicant has a criminal history, or unless other grounds sufficient to disqualify the applicant pursuant to subsection (f) of this Section are apparent on the face of the application, or unless the State Gaming Agency receives information from other sources sufficient to disqualify the applicant, the State Gaming Agency shall upon request of the Community Gaming Operation issue a temporary certification to the applicant. The temporary certification shall become void and be of no effect upon either the issuance of a State certification or upon the issuance of notice of denial, in accordance with the provisions of this Compact.

(o) Summary Suspension of Community License or State Certification. The Ak-Chin Indian Community Gaming Agency, pursuant to the ordinances, regulations or laws of the Community, and the State Gaming Agency, pursuant to the laws and regulations of the State, may summarily suspend any respective Community license or State certification if the continued licensing or certification of a person or entity constitutes an immediate threat to the public health, safety or welfare.

(p) State Administrative Process: Non-Community Members. Any non-Community member applicant for State certification agrees by making such application to be subject to State jurisdiction to the extent necessary to determine qualification to hold such certification, including all necessary administrative procedures, hearings and appeals pursuant to the Administrative Procedures Act, A.R.S. §§ 41-1001 et seq. and the administrative rules of the State Gaming Agency.

(q) Administrative Process: Community Members.

(i) Notwithstanding anything contained herein to the contrary, no State certification shall be required in connection with the issuance of a Community gaming license to a member of the Ak-Chin Indian

Community. In lieu of a requirement for State certification, in any case involving Community licensure under this subsection, the State shall conduct a background investigation of the applicant pursuant to Section 5(b), and shall provide the Ak-Chin Indian Community Gaming Agency with a written recommendation as to whether the applicant should be licensed by the Ak-Chin Indian Community Gaming Agency.

(ii) If the Ak-Chin Indian Community Gaming Agency licenses a Community member despite a State recommendation to the contrary, the Ak-Chin Indian Community Gaming Agency shall afford the State an opportunity for a hearing before an appropriate Community forum to contest the Ak-Chin Indian Community Gaming Agency licensing decision. The decision of the Community forum shall be final.

(iii) The Ak-Chin Indian Community Gaming Agency shall afford the State Gaming Agency the opportunity to be heard in an appropriate Community forum on its recommendation to suspend or revoke the license of any Community member in the same manner as if the State Gaming Agency had recommended denial of the license in the first instance.

SECTION 6. COMMUNITY ENFORCEMENT OF COMPACT PROVISIONS

(a) Ak-Chin Indian Community Gaming Agency. The primary responsibility for the on-site regulation, control and security of the Gaming Operation authorized by this Compact, and for the enforcement of this Compact shall be that of the Ak-Chin Indian Community Gaming Agency. The initial regulations to govern the operation and management of the Community Gaming Operation shall be those regulations set forth in Appendix B to this Compact.

Supplementary regulations will be added and incorporated herein by the Ak-Chin Indian Community Gaming Agency, and a copy forwarded to the State Gaming Agency. The Community shall notify the State Gaming Agency of the intent to amend or repeal any of the regulations set forth in Appendix B, or to adopt new regulations and shall provide a copy of any change or modification to Appendix B. In no event shall any supplement, change or modification adopted by the Community be less stringent than or inconsistent with the provisions of this Compact and its appendices hereto.

(b) Ak-Chin Indian Community Gaming Agency Functions; Training of Agents. Upon request of the Ak-Chin Indian Community Gaming Agency, the State Gaming Agency shall cooperate with the Community to develop and train agents of the Ak-Chin Indian Community Gaming Agency. As part of its duties, the Ak-Chin Indian Community Gaming Agency shall perform the following functions:

(i) To require the enforcement in the Gaming Operation, including the Gaming Facilities, of all relevant laws and regulations;

(ii) To take reasonable steps to provide for the physical safety of patrons in the Gaming Facilities;

(iii) To take reasonable steps to provide for the physical safety of personnel employed by the Gaming Operation;

(iv) To take reasonable steps to provide for the physical safeguarding of assets transported to and from the Gaming Facilities and cashier's cage department;

(v) To take reasonable steps to provide for the protection of the patrons and the

facilities' property from illegal activity;

(vi) To require the detention of persons who may be involved in illegal acts for the purpose of notifying appropriate law enforcement authorities;

(vii) To require the recording of any and all unusual occurrences within the Gaming Facilities. Each incident, without regard to materiality, shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:

(A) The assigned number;

(B) The date;

(C) The time;

(D) The nature of the incident;

(E) The person involved in the incident; and

(F) The security department or Ak-Chin Indian Community Gaming Agency employee assigned to investigate;

(viii) To require the Community Gaming Operation to establish, consistent with the provisions of Appendix C to this Compact, a closed-circuit television surveillance system capable of recording and preserving on videotape all areas of the Gaming Facilities under surveillance;

(ix) To draft and propose regulations consistent with the Act, the gaming ordinances or regulations and this Compact under which all class III

gaming shall be conducted and all class III Gaming Facilities maintained;

(x) To enter the office facilities or other places of business of the Gaming Operation to determine compliance with this Compact, the gaming ordinances, regulations or other applicable law;

(xi) To identify occupations within class III Gaming Operations which require licensing and to adopt standards for licensing the occupations;

(xii) To investigate alleged violations of this Compact, the ordinance, regulations and other applicable laws and to take appropriate disciplinary action against the Gaming Operation or the holder of a license for a violation or to institute appropriate legal action for enforcement or both;

(xiii) To assess fines and revoke or suspend licenses for conduct violating the terms of this Compact, the gaming ordinances, regulations or other applicable laws;

(xiv) To specify the payout from class III gaming consistent with Appendix A;

(xv) To provide for the surveillance and video taping of all authorized gaming activities; and

(xvi) To confiscate or shut down all equipment and gaming supplies failing to conform to the required standards.

(c) Executive Director. The Community has sole authority to determine the composition of the Ak-Chin Indian Community Gaming Agency. One of the members shall be designated as Executive Director. The Executive Director shall have overall responsibility for the administrative functions of the Ak-Chin Indian Community Gaming Agency. The Executive Director shall serve as the formal liaison to the person holding the similarly titled position with the State Gaming Agency. No employee of the Gaming Operation shall be employed by or be a member of the Ak-Chin Indian Community Gaming Agency.

(d) Inspectors. The Ak-Chin Indian Community Gaming Agency shall employ qualified inspectors or agents who shall act under the authority of the Ak-Chin Indian Community Gaming Agency. Said inspectors shall be independent of the Gaming Operation and any management company and shall be supervised and accountable only to the Ak-Chin Indian Community Gaming Agency. Said inspectors shall have the right to inspect any licensed Gaming Facility at any time and shall have immediate access to any and all areas of the Gaming Operation for the purpose of ensuring compliance with the provisions of this Compact and the Community's gaming ordinance.

(e) Reporting of Violations. A Community gaming inspector shall be present in the Gaming Facilities during all hours of gaming operation, and shall have immediate access to any and all areas of the Gaming Operation for the purpose of ensuring compliance with the provisions of this Compact, Community gaming ordinances and regulations of the Ak-Chin Indian Community Gaming Agency. Any suspected violation(s) of the provisions of this Compact, or of Community ordinances or regulations by the Gaming Operation, a gaming employee, or any person on the premises, whether or not associated with the Gaming Operation, shall be reported within twenty-four (24) hours to the Ak-Chin Indian Community Gaming Agency and thereafter forwarded to the State Gaming Agency within forty-eight (48) hours of the time the violation was noted.

(f) Investigation and Sanctions. The Ak-Chin Indian Community Gaming Agency

shall investigate any reported violation(s) of this Compact and shall require the Community Gaming Operation to correct all confirmed violations upon such terms and conditions as the Ak-Chin Indian Community Gaming Agency deems necessary. The Ak-Chin Indian Community Gaming Agency shall be empowered by Community ordinances or regulations to impose fines and other sanctions within the jurisdiction of the Community against a gaming employee, a management company employee, or any other person directly or indirectly involved in, or benefitting from, the Gaming Operation.

(g) Reporting to State Gaming Agency. The Ak-Chin Indian Community Gaming Agency shall forward copies of all completed investigative reports and final dispositions to the State Gaming Agency on a continuing basis. If requested by the Ak-Chin Indian Community Gaming Agency, the State Gaming Agency shall assist in any investigation initiated by the Ak-Chin Indian Community Gaming Agency and provide other requested services to ensure proper compliance with the provisions of this Compact, Community gaming ordinances, regulations or applicable laws of the State or of the United States.

(h) Forms. Any application or reporting form developed by the State Gaming Agency shall satisfy the requirements of this Compact or Community ordinances or regulations with respect to the use of forms.

(i) Periodic Meetings. In order to develop and foster an effective relationship in the enforcement of the provisions of this Compact, representatives of the State Gaming Agency and the Ak-Chin Indian Community Gaming Agency shall meet, not less than once every quarter, to review past practices and examine methods to improve the regulatory program created by this Compact. The meetings shall take place at a location selected by the Ak-Chin Indian Community Gaming Agency. The State Gaming Agency prior to or during such meetings shall disclose to the Ak-Chin Indian Community Gaming Agency any concerns, suspected activities or pending matters reasonably believed to constitute potential violations of this Compact by any person, organization or entity, if such disclosure will not compromise the interest sought to be protected.

Following the first year of this Compact, the Ak-Chin Indian Community Gaming Agency and State Gaming Agency shall jointly determine the number of meetings necessary but in no event shall less than two (2) meetings occur for any twelve (12) month period.

SECTION 7. STATE ENFORCEMENT OF COMPACT PROVISIONS

(a) Monitoring. The State Gaming Agency shall, pursuant to the provisions of this Compact, have the authority to monitor the Gaming Operation to ensure that the operation is conducted in compliance with the provisions of this Compact. In order to properly monitor the Gaming Operation, agents of the State Gaming Agency shall have free and unrestricted access to all public areas of the Gaming Facilities during normal operating hours without giving prior notice to the Gaming Operation; provided, that before agents of the State Gaming Agency shall be entitled to enter the non-public areas of the Gaming Facilities, they shall provide notice and proper identification to the Ak-Chin Indian Community Gaming Agency which may, at its discretion, witness the monitoring or investigation of non-public areas of the Gaming Facilities by the State Gaming Agency.

(b) Access to Records. Agents of the State Gaming Agency shall have authority to review and copy, during normal business hours, all records maintained by the Gaming Operation; provided, that any copy thereof and any information derived therefrom, shall be deemed confidential, and proprietary financial information of the Community. The State shall notify the Community of any requests for disclosure of such information and disclosure shall not be obligated until the Community has had a minimum of five (5) business days to challenge the request or to seek judicial relief. Any records or copies of records removed from the premises shall be returned to the Community within forty-eight (48) hours after use, unless otherwise permitted to be retained by the State under this Compact, provided further, this public disclosure prohibition shall not apply to evidence used in any proceeding authorized by this Compact.

(c) Retention of Records. Throughout the term of this Compact and during the

pendency of any litigation arising from this Compact, and for one (1) year following the termination of this Compact, the Community shall ensure that all books and records relating to authorized gaming activities, including the records of any management contractor, the Community and the Community Gaming Agency are separately maintained in order to facilitate auditing of these books and records to ensure compliance with this Compact. All records shall be maintained pursuant to generally accepted accounting principles and shall be suitable for audit pursuant to the standards of the American Institute of Certified Public Accountants.

(d) Community's Access to State Records. The Community shall have the right to inspect and copy all records received by the State Gaming Agency from the Community or the Ak-Chin Gaming Agency, including records received from third parties, concerning authorized class III gaming, provided that inspection and copying by the Community would not violate applicable laws or compromise on-going law enforcement investigations or activities.

(e) Ak-Chin Indian Community Gaming Agency Notification. At the completion of any inspection or investigation by the State Gaming Agency, copies of the investigative report shall be forwarded to the Ak-Chin Indian Community Gaming Agency.

(f) Cooperation With Ak-Chin Indian Community Gaming Agency. The State Gaming Agency shall meet periodically, consistent with Section 6(i), with the Ak-Chin Indian Community Gaming Agency and cooperate fully in all matters relating to the enforcement of the provisions of this Compact and immediately notify the Ak-Chin Indian Community Gaming Agency of any activity suspected or occurring whether within the Gaming Facilities or not, which adversely affects State, Community or public health, safety, or welfare interests relating to the Gaming Facilities and Operation; provided that such disclosure shall not compromise the interest sought to be protected.

(g) Documents Provided by the Community to the State Gaming Agency. The Community shall routinely provide the State Gaming Agency with a copy of its current gaming ordinances or regulations, all subsequent amendments to such ordinances or regulations, and a

copy of all audit reports, including auditor's notes, of class III gaming activities prepared by the Community or an independent auditor hired by the Community, a copy of the results of all equipment or program tests, all management contracts and all contracts or leases for gaming equipment or gaming services. The Community shall, pursuant to Section 6(g) provide the State Gaming Agency with information concerning any suspected or actual violations of the terms of this Compact, the gaming ordinances or regulations, or other applicable laws and with information describing the steps taken by the Community or the Community Gaming Agency to remedy such violations. All copies shall be provided by the Community as soon as is reasonably practical but no later than twenty (20) calendar days after the documents are received by the Community or the Community Gaming Agency or the Community becomes aware of a suspected or actual violation of this Compact, the gaming ordinances or regulations or other applicable laws.

SECTION 8. REGULATORY JURISDICTION RELATING TO ENFORCEMENT OF THE PROVISIONS OF THIS COMPACT

The Ak-Chin Indian Community Gaming Agency and the State Gaming Agency shall have concurrent jurisdiction to investigate violations of the provisions of this Compact, and to bring administrative charges, in accordance with Community laws, the provisions of applicable State law and the terms of this Compact against any individual or business entity that is licensed by the Ak-Chin Indian Community Gaming Agency or certified by the State Gaming Agency in accordance with Sections 4 and 5 of this Compact. In recognition of the need to foster a joint regulatory program to enforce the provisions of this Compact, the Community consents to the exercise of jurisdiction over such administrative actions by the State Gaming Agency and the Superior Courts of the State with respect to such actions to enforce the provisions of this Compact as provided in Section 5 with regard to non-Community members, subject to the provisions of Section 15 of this Compact.

SECTION 9. LAW ENFORCEMENT JURISDICTION RELATING TO GAMING

(a) Investigative Authority. The Ak-Chin Indian Community Gaming Agency, Community Law Enforcement Agency, Pinal County Sheriff, the Arizona Department of Public Safety, and the State Gaming Agency shall have the authority to investigate gaming and related crimes against the laws of the Community, the State or the United States made applicable, that occur within the Gaming Facilities or within Ak-Chin Community lands.

(b) Community and State Criminal Jurisdiction. In furtherance of the terms and provisions of this Compact and to ensure public health, safety and welfare, the Community and the State shall exercise such criminal jurisdiction over persons and activities occurring within the Gaming Facilities or within Ak-Chin Community lands as they are otherwise authorized to exercise under existing law.

(c) Community Criminal Jurisdiction. In enforcing the terms and provisions of this Compact, the Ak-Chin Indian Community shall exercise such criminal jurisdiction as authorized by federal law over Indians. The Ak-Chin Indian Community shall adopt ordinances making it a crime to cheat at gaming. For purposes of such ordinances, "cheat" shall mean to alter the selection of criteria which determine the result of a game, or the amount or frequency of payment in a game. The Ak-Chin Indian Community shall also adopt ordinances making it unlawful for any person:

(i) To alter or misrepresent the outcome or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players;

(ii) To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of

placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome;

(iii) To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a game with intent to defraud, without having made a wager thereon, or to claim, collect or take an amount greater than the amount won;

(iv) Knowingly to entice or induce another to go to any place where gaming is being conducted or operated in violation of the provisions of this Compact or the Community's ordinances or regulations, with the intent that the other person play or participate in that gaming;

(v) To place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet;

(vi) To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet;

(vii) To manipulate, with the intent to cheat, any component of a gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, manipulating a gaming device, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game;

(viii) Knowingly to use other than coins, tokens or currency approved by the Ak-

Chin Indian Community Gaming Agency or other lawful coin, legal tender of the United States of America, or to use a coin not of the same denomination as the coin intended to be used in a gaming device; or

(ix) To use any device or means to cheat, or to possess any such device while at the Gaming Facilities.

(d) Consent to Application of State Criminal Jurisdiction. In enforcing the terms and provisions of this Compact, the State shall exercise criminal jurisdiction over non-Indians exclusive of the jurisdiction of the Community.

(e) Exception to Consent. Nothing in this Compact shall be deemed a consent or submission by the Community to the general jurisdiction and laws of the State.

(f) Cross-Deputization Agreement. The State and the Community, to the extent permitted by law, agree to enter into such cross-deputization agreements as may be necessary to facilitate cooperation between State and Community Law Enforcement personnel.

(g) Federal Jurisdiction. Nothing contained herein shall be deemed to modify or limit existing federal jurisdiction over Indians and the Gaming Operation authorized under this Compact.

SECTION 10. ENACTMENT OF AGREEMENT PROVISIONS

(a) State Gaming Agency Rules. Pursuant to its general rule-making authority, the State Gaming Agency may enact, as part of its rules governing gaming, all or part of the provisions of this Compact. In no event shall the rules adopted by the State Gaming Agency be less stringent than the provisions of this Compact or its appendices.

(b) Ak-Chin Indian Community Gaming Agency Regulations. The Ak-Chin Indian Community Gaming Agency may enact, as part of its rules or regulations governing gaming, all or part of the provisions of this Compact.

SECTION 11. OPERATIONAL REQUIREMENTS

(a) Additional Operational Requirements Applicable to Class III Gaming. The Gaming Operation shall be operated pursuant to an internal control system approved by the Ak-Chin Indian Community Gaming Agency. The internal control system shall be designed to reasonably assure that:

(i) Assets are safeguarded;

(ii) Financial records are accurate and reliable;

(iii) Transactions are performed in accordance with the Community's general or specific authorization;

(iv) Access to assets is permitted only in accordance with the Community's specific authorization;

(v) Recorded accountability for assets is compared with actual assets at frequent intervals and appropriate action is taken with respect to any discrepancies; and

(vi) Functions, duties and responsibilities are appropriately segregated and performed in accordance with sound practices by competent, qualified personnel.

(b) Internal Controls. The internal control system shall include:

(i) An organizational chart depicting appropriate segregation of functions and responsibilities;

(ii) A description of the duties and responsibilities of each position shown on the organizational chart;

(iii) A detailed, narrative description of the administrative and accounting procedures designed to satisfy the requirements of subsection (a); and

(iv) A description of procedures governing the maintenance and preservation of security and surveillance information.

(c) Audit and Financial Statements. The Ak-Chin Indian Community Gaming Agency shall require an audit and a certified financial statement covering all financial activities of the Gaming Operation, not less than annually, by an independent certified public accountant licensed by the State. The financial statement and audit shall be prepared in accordance with the auditing procedures published by the American Institute of Certified Public Accountants and shall be submitted to the Ak-Chin Indian Community Gaming Agency and the State Gaming Agency within one hundred twenty (120) days of the close of the Community's fiscal year. All auditors shall preferably have experience in gaming matters generally and preferably in class III gaming conducted pursuant to the Act. In addition, the State Gaming Agency shall be authorized to confer with the independent certified public accountant selected by the Community during the preparation of the audit and certified financial statement. The Community shall be notified of and provided the opportunity to attend such conference.

(d) Provisions of Copies of Audits to the State: Additional Audits Which May Be Conducted by the State. The Community shall provide copies of the audits to the State Gaming Agency within twenty (20) days of receipt of the final audit from the certified public accountant. In the event that the State Gaming Agency has probable cause to believe that there is a violation of the Compact, the gaming ordinances, regulations, or other applicable laws, the State Gaming Agency

may notify the Community and the Community Gaming Agency and may request that the Community obtain an audit of the books, records, personnel and procedures of the Gaming Operation, including the records of any management contractor and the records of the Community Gaming Agency and the Community to ensure compliance with this Compact, the gaming ordinances, regulations and other applicable laws. In the event the Community chooses not to procure a requested audit, the State Gaming Agency may conduct such an audit, and the Community shall cause the foregoing records to be made available to the State Gaming Agency during ordinary business hours. The State Gaming Agency's audits may include equipment testing. The State Gaming Agency shall provide copies of such audits to the Community, provided that provision of such audits would not compromise any law enforcement activities.

SECTION 12. COMMUNITY REIMBURSEMENT FOR STATE GAMING AGENCY EXPENSES INCURRED; FEES FOR LICENSING AND INVESTIGATION

(a) Compensation to the State Gaming Agency. The Community agrees to pay the State Gaming Agency for all administrative costs and expenses arising under this Compact.

(b) Gaming Device Assessment. The State and the Community have determined that during each year of this Compact, one thousand dollars ($1,000) per gaming device shall be paid to the State Gaming Agency for administrative costs and expenses incurred for State regulation and enforcement duties. The assessment shall be payable in equal quarterly installments the first of which shall be payable within fifteen (15) days of receipt by the Ak-Chin Indian Community Gaming Agency of the notification of compliance pursuant to Section 4(a) of this Compact. The second and all ensuing installments shall be paid, respectively, on the fifteenth day of January, April, July, and October, as appropriate. For the purposes of assessment, gaming device counts will be made quarterly. If a gaming device is added to play any time during the quarter, it will be deemed to have been in play for the entire quarter and be assessed in such manner. Thereafter, should any deficit in necessary funds exist, the Community shall be billed within thirty (30) days,

its pro-rata share of sums necessary to eliminate any such deficit. Monies in excess of the Community's pro-rata share of costs and expenses actually incurred by the State Gaming Agency shall be returned to the Community annually or the overpayment shall be credited to the Community for the succeeding year at the Community's discretion. If credits are provided or if any excess remains at the conclusion of the Compact term, the State shall return such monies to the Community within thirty (30) days from the expiration date of this Compact.

(c) Statement of Expenses. The State Gaming Agency shall submit to the Community verified statements of expenses with supporting documentation on a quarterly basis consistent with the provisions of subsection (b) of this Section commencing ninety (90) days after the Community receives a letter of compliance pursuant to Section 4(a) of this Compact.

(d) Disputes Resolution. In the event a dispute arises, it will be resolved pursuant to Section 15 of this Compact.

SECTION 13. PUBLIC HEALTH, SAFETY AND WELFARE

(a) Compliance. The Community shall enact ordinances and regulations governing health and safety standards applicable to the Gaming Facilities which shall be no less stringent than the standards generally imposed by the Uniform Laws Annotated Codes covering the following:

(i) The Uniform Building Code (1988 edition);

(ii) The Uniform Mechanical Code (1988 edition);

(iii) The Uniform Plumbing Code (1988 edition);

(iv) The Uniform Fire Code (1988 edition);

In addition, Public health standards for food and beverage handling shall be in accordance with United States Public Health Service requirements.

(b) Emergency Service Accessibility. The Ak-Chin Indian Community Gaming Agency shall make provisions for adequate emergency accessibility and service.

(c) Tort Remedies for Patrons. The Community will establish procedures for the disposition of tort claims arising from alleged injuries to patrons of its Gaming Facilities. The Community shall not be deemed to have waived its sovereign immunity from suit with respect to such claims by virtue of any provision of this Compact, but may adopt a remedial system analogous to that available for similar claims arising against the State or such other remedial system as may be appropriate following consultation with the State Gaming Agency.

(d) Liability for Damage to Persons and Property. During the term of this Compact, the Community shall maintain public liability insurance which provides no less than one million dollars ($1,000,000) for personal injury and property damage. The Community's insurance policy shall include an endorsement providing that the insured may not invoke tribal sovereign immunity up to the limits of the policy set forth above.

SECTION 14. PATRON DISPUTES

(a) Refusal to Pay Winnings. Whenever the Gaming Operation refuses payment of alleged winnings to a patron, and the Gaming Operation and the patron are unable to resolve the dispute to the satisfaction of the patron and the dispute involves:

(i) At least five hundred dollars ($500), the Gaming Operation shall immediately notify the Ak-Chin Indian Community Gaming Agency. The Ak-Chin Indian Community Gaming Agency, through an inspector, shall conduct whatever investigation it deems necessary and shall determine whether payment should be made; or

(ii) Less than five hundred dollars ($500), the Gaming Operation shall inform the patron of his or her right to request that the Ak-Chin Indian Community Gaming Agency conduct an investigation. Upon request of the patron, the Ak-Chin Indian Community Gaming Agency, through an inspector, shall

conduct whatever investigation it deems necessary and shall determine whether payment should be made.

(b) Notice to Patrons. The Ak-Chin Indian Community Gaming Agency inspector shall mail written notice by certified mail, return receipt requested, to the Gaming Operation and the patron of his or her decision resolving the dispute within thirty (30) days after the date that the Ak-Chin Indian Community Gaming Agency first receives notification from the Gaming Operation or a request to conduct an investigation from the patron.

(c) Inspector Decision. The decision of the inspector is effective on the date it is received by the aggrieved party as reflected on the return receipt.

(d) Review of Decision. Within thirty (30) days after the date of receipt of the written decision of the inspector, the aggrieved party may file a petition with the Ak-Chin Indian Community Gaming Agency requesting a review of the decision. The Ak-Chin Indian Community Gaming Agency may set a hearing on the matter or may make a decision based solely upon the inspector's decision and other documentation provided to it by the patron and the Gaming Operation. The Ak-Chin Indian Community Gaming Agency shall then issue a written decision and mail it to the parties pursuant to the procedures set forth in Section 14(b). The decision of the Ak-Chin Indian Community Gaming Agency shall be final and binding upon the patron and the Gaming Operation and shall not be subject to judicial review or other legal action in the courts of the State.

SECTION 15. RESOLUTION OF DISPUTES BETWEEN THE STATE AND THE COMMUNITY

(a) Notice. If either party believes the other party has failed to comply with the provisions of this Compact, the party asserting noncompliance shall serve written notice upon the other party. The notice shall identify the specific provisions of the Compact alleged to have been violated and shall specify the factual basis therefor. The designated representatives of the State

and the Community shall thereafter meet within ten (10) days in an effort to resolve the dispute.

(b) Procedures for Dispute Resolution. If the dispute is not resolved to the satisfaction of the parties within thirty (30) days after service of the notice set forth above, the dispute shall be adjudicated through arbitration as follows:

(i) The parties shall attempt to agree upon one arbitrator with expertise in the subject matter of the dispute;

(ii) If the parties are unable to agree on an arbitrator, each party shall select an arbitrator within ten (10) days of the commencement of the arbitration and the two (2) arbitrators shall mutually appoint a third arbitrator within twenty (20) days of their appointment. If the two (2) arbitrators are unable to agree on the appointment of a third arbitrator within twenty (20) days, the third arbitrator shall be appointed by the American Arbitration Association;

(iii) The arbitrator(s) shall confer with the parties immediately after appointment to determine an arbitration schedule including whether and to what extent discovery is required. The arbitrator(s) may set the matter for an evidentiary hearing or oral argument, or may dispose of the dispute based upon written submissions only;

(iv) All arbitrators shall preferably have experience in gaming matters generally and preferably in class III gaming conducted pursuant to the Act

(c) Arbitration Costs. The cost of arbitration shall be borne equally by the Community and State. The parties shall bear their own costs and attorneys' fees associated with their participation in the arbitration unless the decision of the arbitrator shall specify otherwise.

(d) Arbitration Decision. The decision of the majority of the arbitrator(s) shall be final, binding and unappealable. Failure to comply with judgment upon the award entered in such arbitration proceeding shall be deemed a breech of the Compact.

(e) Action to Enjoin a Class III Gaming Activity Conducted in Violation of the Agreement. The parties recognize that the Act at 25 U.S.C. § 2710 (d)(7)(A)(ii) provides that the United States District Courts shall have jurisdiction over an action initiated by the State or the Community to enjoin class III gaming activities located on Indian lands conducted in violation of this Compact.

SECTION 16. RESERVATION OF RIGHTS UNDER THE ACT

(a) Status of Class II Gaming. Nothing in this Compact shall be deemed to affect the operation by the Community of any class II gaming as defined in the Act, whether conducted within or without the Gaming Facilities, or to confer upon the State any jurisdiction over such class II gaming conducted by the Community on its Reservation.

(b) Prohibition on Taxation by the State. Nothing in this Compact shall be deemed to authorize or permit the State or any political subdivision thereof to impose any tax, fee, charge or assessment upon the Community or upon the Gaming Operation except for the payment of assessments expressly authorized pursuant to Section 12 of this Compact.

(c) Tax Documentation. For purposes of cooperation, the Community agrees to provide the State with a certified copy of the documentation provided to the Internal Revenue Service by the Community indicating gaming winnings of patrons of the Gaming Operation.

(d) Preservation of Community Self-Government. Nothing in this Compact shall be deemed to authorize the State to regulate in any manner the government of the Community, or to interfere in any manner with the Community's selection of its governmental officers including members of the Ak-Chin Indian Community Gaming Agency.

SECTION 17. AMENDMENTS AND WAIVERS

Subject to the provisions of Section 23(d), the terms and conditions of this Compact shall not be modified, amended or otherwise altered except by written agreement of the parties and upon approval by the Secretary of the Interior.

SECTION 18. SEVERABILITY

If any part of this Compact is finally found to be in violation of any applicable law by a court of competent jurisdiction, such portion shall be severed from this Compact if possible and the remainder of this Compact shall remain valid and enforceable provided that continuation of the Compact does not alter the fundamental intent of the parties.

SECTION 19. THIRD PARTY BENEFICIARIES

This Compact is not intended to create any third-party beneficiaries and is entered into solely for the benefit of the Ak-Chin Indian Community and the State of Arizona.

SECTION 20. NOTICES

Unless otherwise indicated, all notices, payments, requests, reports or demands shall be made in writing and shall be personally delivered, delivered by private courier, or sent by first class certified or registered United States mail, postage paid, return receipt requested, and sent to the other party at the address appearing below, or such other address as either party shall hereafter inform the other by written notice:

THE STATE OF ARIZONA
OFFICE OF THE GOVERNOR
1700 West Washington, 9th Floor
Phoenix, Arizona 85007

AK-CHIN INDIAN COMMUNITY
Rt. 2, Box 27
Maricopa, Arizona 85239

SECTION 21. CALCULATION OF TIME

In computing any period of time prescribed or allowed by this Compact or any laws, ordinances or regulations of the Community, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday under the Community's laws, State law, or federal law, or when the act to be done is the filing of or providing access to any report or document, and the last day of the period falls on a day in which the weather or other conditions have made the offices in which the report or document is to be filed inaccessible, in which event the designated period shall extend until the end of the next day on which the office is accessible which is not a Saturday, Sunday or legal holiday, and is not one of the previously mentioned days. When the period of time prescribed or allowed is less than eleven (11) days, intermediate Saturdays, Sundays and legal holidays under the Community's laws, State law or federal law shall be excluded from the computation period.

SECTION 22. COUNTERPARTS

This Compact may be executed by the parties in any number of separate counterparts with the same effect as if the signatures were upon the same instrument.

SECTION 23. EFFECTIVE DATE AND DURATION

(a) Effective Date. This Compact shall be effective upon signature by both parties, approval by the Secretary of the Interior and publication by the Secretary in the Federal Register in accordance with the Act.

(b) Duration. This Compact shall remain in full force and effect until June 30, 2000, provided that the parties may, by mutual agreement, extend the Compact's duration.

(c) Termination. This Compact shall terminate immediately upon the occurrence of

any one of the following events:

(i) This Compact is voluntarily terminated by mutual consent of the parties;

(ii) This Compact is determined to be invalid pursuant to a final, non-appealable judgment by a court of competent jurisdiction;

(iii) The federal laws authorizing gaming on Indian lands are repealed or the gaming authorized by this Compact is otherwise prohibited as a matter of federal law;

(iv) The provisions of 25 U.S.C. § 2710 (d) have been held unconstitutional or otherwise invalid in a final judgment in any case by any United States Circuit Court of Appeal or the United States Supreme Court;

(v) The laws of the State of Arizona are amended to prohibit any of the class III gaming activities authorized by this Compact; or

(vi) The Community adopts an ordinance or resolution revoking Community authority to conduct class III gaming upon Community lands as provided in 25 U.S.C. § 2710 (d)(2)(D).

(d) Reconsideration. The parties may discuss and reconsider Sections 4, 5, 7, 11, 12, 14 and all appendices to this Compact upon written notice and request by either party if and when circumstances and events unforeseen at the time of the negotiation and execution of this Compact occur meriting discussion and reconsideration of such provisions; provided, if any reconsideration of Section 14 would require additional expenditure of Community funds, then the source of such funds must be addressed. If such discussions are unsuccessful, the matter shall be

resolved pursuant to Section 15.

SECTION 24. GOVERNING LAW

This Compact shall be governed by and construed in accordance with the laws of the United States, ordinances and regulations of the Community and the laws of the State.

SECTION 25. ENTIRE AGREEMENT

This Compact contains the entire agreement of the parties with respect to the matters covered by this Compact, and no other statement, agreement, or promise made by any party, officer, or agent of any party shall be valid or binding.

SECTION 26. AUTHORITY TO EXECUTE

Each of the undersigned represents that he/she is duly authorized and has the authority to execute this Compact on behalf of the party for whom he/she is signing.

STATE OF ARIZONA

FIFE SYMINGTON
GOVERNOR

DATE: 2/3/93

AK-CHIN INDIAN COMMUNITY

MARTIN ANTONE
CHAIR

DATE: 2-5-93

ASSISTANT SECRETARY - INDIAN AFFAIRS

3-19-93
DATE

APPENDIX A

TRIBAL/STATE COMPACT BETWEEN THE AK-CHIN INDIAN COMMUNITY AND THE STATE OF ARIZONA

TECHNICAL STANDARDS FOR ELECTRONIC GAMES OF CHANCE

TECHNICAL STANDARDS FOR ELECTRONIC GAMES OF CHANCE

SECTION 1. DEFINITIONS.

For the purposes of this Compact:

(a) "Credit" means the smallest unit of value that may be used to play a game on an electronic game of chance or that may be redeemed in currency.

(b) "Distributor" means a person who obtains an electronic game of chance from a manufacturer and who intends to furnish it to the Tribe.

(c) "Manufacturer" means a person who manufactures, produces, or assembles an electronic game of chance and who intends to furnish it to a distributor or the Tribe.

(d) "Electronic Game of Chance" means a microprocessor-controlled electronic device which allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a coin or currency, or by the use of a credit and which awards game credits, cash or tokens, and which utilizes a coin drop hopper. Game play may be displayed by:

(i) Video facsimile; or

(ii) Mechanical rotating reels whereby the software of the device predetermines the stop positions and the presence, or lack thereof, of a winning combination and pay out, if any.

SECTION 2. TESTING AND APPROVAL OF ELECTRONIC GAMES OF CHANCE.

No electronic game of chance may be purchased, leased or otherwise acquired by the Tribe unless:

(a) The electronic game of chance is purchased, leased or acquired from a manufacturer or distributor licensed by the Tribe and certified by the State to sell, lease or distribute electronic games of chance by the Tribe and

(b) The electronic game of chance, or a prototype thereof, has been tested, approved and certified by a gaming test laboratory as meeting the requirements and standards of this Compact.

For purposes of this Compact, a gaming test laboratory is a laboratory designated in writing by the Tribe and the State Gaming Agency as competent and qualified to conduct scientific tests and evaluations of electronic games of chance and related equipment. A laboratory operated by or under contract with the State or by or under contract with the States of Minnesota, Nevada, New Jersey, South Dakota, or Wisconsin constitutes a designated gaming test laboratory.

SECTION 3. APPLICATION FOR APPROVAL OF PROTOTYPE ELECTRONIC GAMES OF CHANCE.

In order to obtain the necessary approval and certification, the Tribe shall require that the gaming test laboratory and the State Gaming Agency each be provided with one copy of electronic game of chance illustrations, schematics, block diagrams, circuit analyses, technical and operation manuals, program object and source codes and hexadecimal dumps (the compiled computer program represented in base 16 format) and any other necessary prototype information.

SECTION 4. TESTING OF ELECTRONIC GAMES OF CHANCE.

If required by the gaming test laboratory, the Tribe shall require the manufacturer or distributor to transport not more than two working models of the electronic game of chance and related equipment to a location designated by the laboratory for testing, examination and analysis. The Tribe shall require the manufacturer or distributor to pay for any and all costs for the transportation, testing, examination and analysis. The testing, examination and analysis may include the entire dismantling of the electronic games of chance and related equipment and some tests may result in damage or destruction to one or more electronic components of the devices. If required by the laboratory, the Tribe must provide, or require the manufacturer to provide, specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis.

SECTION 5. REPORT OF TEST RESULTS.

At the conclusion of each test, the laboratory shall provide to the Tribe and to the State Gaming Agency a certified affidavit that contains findings, conclusions and a determination that the electronic game of chance and related equipment conforms or fails to conform to the technical requirements and standards set forth in this Compact. If modifications can be made which would bring the electronic game of chance or related equipment into compliance, the report may contain

recommendations for such modifications.

SECTION 6. MODIFICATIONS OF APPROVED ELECTRONIC GAMES OF CHANCE.

No modification to the assembly or operational functions of any electronic game of chance or related equipment may be made after testing and installation unless the gaming test laboratory certifies to the Tribe and the State Gaming Agency that the modified electronic game of chance conforms to the standards of this Compact. All proposed modifications shall be described in a written request made to the State Gaming Agency and the Tribe, which contains information describing the modification, the reason therefor and all documentation required by the laboratory. If the State Gaming Agency and the Tribal Gaming Agency agree that a modification is warranted, the documentation shall be forwarded to the gaming test laboratory. The State Gaming Agency and Tribal Gaming Agency will jointly agree to a temporary certification of the modifications for up to 15 days pending compliance with this Section.

SECTION 7. CONFORMITY TO TECHNICAL STANDARDS.

The Tribe shall require the manufacturer or distributor to certify, in writing, that, upon installation, each electronic game of chance:

(a) Conforms precisely to the exact specifications of the electronic game of chance prototype tested and approved by the gaming test laboratory; and

(b) Operates and plays in accordance with the technical standards set forth in this Compact.

A copy of the certification document shall be forwarded to the State Gaming Agency.

SECTION 8. REPORTS TO TRIBE AND STATE GAMING AGENCY.

(a) Installation and Operation. Prior to installation of an electronic game of chance, the manufacturer or distributor shall report in writing to the Tribe and the State Gaming Agency the following information for each electronic game of chance, including, but not limited to:

(i) The type of electronic game of chance;

(ii) The game's serial number;

(iii) The game's manufacturer;

(iv) The person from whom the game was acquired; the means by which the game was transported into the State and the name and street address of any common carrier or other person transporting the game;

(v) The certification required under Section 7, above;

(vi) The unique identification number assigned by the Tribe under Section 9 (n), below.

(vii) The Erasable Programmable Read Only Memory ("EPROM") chip's identification number;

(viii) The location in which the game will be placed, and

(ix) The date of installation.

(b) Removal from Play. Upon removal of an electronic game of chance from a tribal gaming facility, the manufacturer or distributor shall report in writing to the Tribe and the State Gaming Agency the following information:

(i) The date on which it was removed;

(ii) The game's destination; and

(iii) The name of the person to whom the equipment is to be transferred, including the person's street address, business and home telephone numbers; the means by which the game is to be transported and the name and street address of any common carrier or other person transporting the game.

SECTION 9. HARDWARE REQUIREMENTS FOR ELECTRONIC GAMES OF CHANCE.

Electronic games of chance operated under this Compact must meet the following specifications:

(a) Physical Hazard. Electrical and mechanical parts and design principles of the electronic games of chance may not subject a player to physical hazards.

(b) Surge Protector. A surge protector must be installed on the line that feeds power to the electronic game of chance.

(c) Battery Backup. A battery backup or an equivalent shall be installed on the electronic game of chance for the electronic meters and must be capable of maintaining the accuracy of all information required by this Compact for 180 days after power is discontinued from the machine. The backup device shall be kept within the locked microprocessor compartment.

(d) On/Off Switch. An on/off switch that controls the electrical current used in the operation of an electronic game of chance and any associated equipment must be located in a place which is readily accessible within the interior of the machine.

(e) Static Discharge. The operation of each electronic game of chance must not be adversely affected by static discharge or other electromagnetic interference.

(f) Approved Coin and Bill Acceptors. At least one electronic coin acceptor must be installed in or on each electronic game of chance. The devices may also contain bill acceptors for denominations determined by the Tribe. Prior to operation, all model of coin and bill acceptors installed must be tested and approved in writing by a gaming test laboratory as provided in Section 2, above.

(g) Cabinet Security.

(i) The cabinet or interior area of the electronic game of chance shall be locked and not readily accessible.

(ii) Each electronic game of chance shall communicate with an on-line electronic game management system (either a dedicated line or a dial-up system) approved by the State and Tribe, that provides permanent sequential tracking and which permits monitoring of error conditions on a printed medium for future use and which records the following information:

(A) Amount deposited in the machine through coin collectors and bill acceptors;

(B) Amount paid out by machine;

(C) Amount of net revenue to the machine;

(D) Time of day in twenty-four hour format

to be paid manually to winning patrons not including the value of an aggregate prize or prizes which may be awarded under Section 9(m). (the "Manual Jackpot Meter");

(v) Number of coins or tokens or value of amounts or credits that have been paid to a patron in the last complete valid game, which shall be displayed visibly on the front of the machine (the "Win Meter");

(vi) Number of coins, tokens or credits wagered in the current game;

(vii) Number of coins, tokens or credits wagered in the last complete, valid game; and

(viii) Number of cumulative credits representing credits won and money or tokens inserted by a player but not collected (commonly referred to as the "Credit Meter").

(f) No Automatic Clearing of Accounting Meters.

No electronic game of chance shall have a mechanism or program which will cause the electronic accounting meters to automatically clear. The electronic accounting meters may be cleared only after written records of the readings before and after the clearing process are taken by the Tribe, which shall also record the reason the meter was cleared.

SECTION 11. NON-COMPLYING ELECTRONIC GAMES OF CHANCE.

(a) Prohibition. All electronic games of chance operated in violation of this Compact shall be deemed to be non-complying electronic games of chance and are hereby prohibited.

(b) Definition. The following are declared to be non-complying games:

(i) All electronic games of chance operated in violation of this Compact;

(ii) All electronic games of chance to which State Gaming Agency personnel have been denied access for inspection purposes;

(iii) All electronic games of chance not reported as required

under Section 8 of these Standards.

(c) Demand for Remedies for Non-Complying Games. Electronic games of chance believed to be non-complying shall be so designated in writing by the State Gaming Agency. Within five days of receipt of such written designation, the Tribe shall either:

(i) Accept the allegation of non-compliance, remove the games from play and take appropriate action to ensure that the Tribe, the manufacturer, distributor or other responsible person cures the problem; or

(ii) Upon mutual agreement with the State Gaming Agency, arrange for the inspection of the contested equipment, or single example thereof, by an independent gaming test laboratory within three days of the receipt of the allegation of non-compliance. If the independent laboratory finds that the game or related equipment is non-complying, the non-complying game and related equipment shall be permanently removed from play unless modified to meet the requirements of this Compact. Such games and related equipment removed from play under this paragraph may be returned to play only after tested, approved and certified as provided under Section 2 and reported to the State Gaming Agency as provided under Section 8 of these Standards.

APPENDIX B

ORDINANCE OF THE AK-CHIN INDIAN COMMUNITY GOVERNING GAMING UNDER THE AK-CHIN INDIAN COMMUNITY/STATE OF ARIZONA GAMING COMPACT

AK-CHIN
INDIAN COMMUNITY
GAMING CODE

AK-CHIN INDIAN COMMUNITY GAMING CODE

SECTION 1. STATEMENT OF POLICY. It is the purpose of this Code to provide for the sound regulation of all gaming activities on lands within the jurisdiction of the Ak-Chin Indian Community, in order to protect the public interest in the integrity of such gaming activities, to prevent improper or unlawful conduct in the course of such gaming activities, to strengthen tribal self-government and to promote economic self-sufficiency of the Ak-Chin Indian Community.

SECTION 2. DEFINITIONS. For purpose of this Code:

(a) "Act" means the Indian Gaming Regulatory Act, Pub. L. 100-497, 25 U.S.C. §§ 2701 et seq. and 18 U.S.C. §§ 1166-1168.

(b) "Chairman" means the Chairman of the Ak-Chin Indian Community Gaming Agency established by this Code.

(c) "Class II gaming" means Class II gaming as defined in accordance with the Act, 25, U.S.C. § 2703(7)(A).

(d) "Class III gaming" means all forms of gaming that are not Class I gaming or Class II gaming as respectively defined in 25 U.S.C. § 2703(6) and (7) and the regulations promulgated to clarify such provisions of the Act.

(e) "Ak-Chin Indian Community Gaming Agency" means the Ak-Chin Indian Community Gaming Agency established by this Code, and has the same meaning as "Tribal Gaming Agency" under the Compact.

(f) "Compact" means the Tribal-State Compact between the Ak-Chin Indian Community and the State of Arizona.

(g) "Electronic Game of Chance" means a microprocessor-controlled electronic device which allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a token, coin or currency, or by the use of a credit, and which awards game credits, cash, tokens, prize of value or replays, or a written statement of the player's accumulated credits, which written statements are redeemable for cash. Game play may be displayed by:

(i) Video facsimile; or

(ii) Mechanical rotating reels whereby the software of the device predetermines the stop positions and the presence, or lack thereof, of a winning combination and pay-out, if any.

(h) "Executive Director" means the Executive Director appointed by the Ak-Chin Indian Community Gaming Agency established pursuant to this Code.

(i) "Gaming Employee" means a gaming employee as defined in the Compact, and includes primary management officials and key employees of the Gaming Operation.

(j) "Gaming Facility" means the building, room or rooms or that portion of a room in which Class II gaming or Class III gaming authorized under the Compact is conducted.

(k) "Gaming Operation" means the enterprise owned by the Community on Tribal lands for the conduct of the Class III gaming

SECTION 3. ADOPTION OF COMPACT. The Compact is hereby incorporated within and enacted as an integral part of this Code with respect to all forms of Class III gaming, and the Compact including the Appendices thereto is incorporated and made a part of this Code as if set forth in full herein; provided, however, that nothing in the adoption of the Compact herein shall be deemed to affect the operation by the Community of any Class II gaming, whether conducted within or without the gaming facilities, or to confer upon the State any jurisdiction over such Class II gaming conducted by the Community on its Reservation.

SECTION 4. AUTHORIZATION FOR GAMING ACTIVITIES.

(a) Forms of Class III gaming authorized. The Community may conduct or operate all forms of Class III gaming authorized under the Compact.

(b) Authority for Class II gaming. In addition to the forms of Class III gaming authorized pursuant to section 4(a) hereof, the Community shall be authorized to conduct all forms of Class II gaming as defined in 25 U.S.C. § 2703(7)(A).

SECTION 5. COMPLIANCE WITH THE ACT. This Code shall be construed in a manner which conforms to the Act in all respects, and if inconsistent with the Act in any manner the provisions of the Act shall govern.

(a) Limitation on gaming operations. In compliance with 25 U.S.C. § 2710(b)(2)(A), the Community shall have the sole proprietary interest in and responsibility for the conduct of any gaming activity on the Reservation; provided, however, that nothing

authorized by the Compact.

(l) "Gaming Services" means the providing of any goods, services or concessions by contract to the Community directly in connection with the operation of Class III gaming in a gaming facility in an amount in excess on five thousand dollars ($5,000.00) monthly except for professional, legal or accounting services. No contract may be broken up into parts for the purpose of avoiding this definition and any requirement of licensure or certification contained in the Compact.

(m) "National Indian Gaming Commission" means the National Indian Gaming Commission established pursuant to 25 U.S.C. § 2704.

(n) "Net Revenues" means gross revenues of a Class III gaming activity less amounts paid out as, or paid for, prizes and total operating expenses including debt service but excluding management fees paid to a management contractor within the meaning of 25 U.S.C. § 2711(c).

(o) "Code" means this Gaming Code.

(p) "State" means the State of Arizona, its authorized officials, agents and representatives.

(q) "State Gaming Agency" means the agency of the State as the Governor may from time to time designate by written notice to the Community as the state agency primarily responsible for oversight of the Class III gaming as authorized by this Compact.

(r) "Community" means the Ak-Chin Indian Community, its authorized officials, agents and representatives.

herein shall (i) preclude the Community from entering into a Management Contract as authorized under 25 U.S.C. § 2711; or (ii) interfere with the exercise by any secured party of its rights under any collateral lease, leasehold mortgage or other financing agreement with the Community to enforce its security interests in the premises on which such gaming activities may be conducted, or to enforce its rights against revenues of the Community from its gaming activities for the purpose of repayment of the debt obligations of the Community to such secured party in accordance with the provisions of such agreements.

(b) Application of net revenues. In compliance with 25 U.S.C. § 2710(b)(2) and (3), net revenues from any gaming activity are not to be used for purpose other than:

(i) to fund Community government operations or programs;

(ii) to provide for the general welfare of the Community and its members;

(iii) to promote the Community's economic development;

(iv) to donate to charitable organizations;

(v) to help fund operations of local government agencies, or

(vi) any other purposes permitted under the Act.

(c) Annual Audit. In compliance with 25 U.S.C. §§ 2710(b)(2)(C) and (D), the gaming Operation shall be subject to an audit by independent certified public accountants, not less than annually, and copies of the annual audit shall be provided to the National Indian Gaming Commission. All contracts for supplies,

the National Indian Gaming Commission may establish.

(ii) All Class II gaming employees who are not subject to background investigations as gaming employees pursuant to the Compact shall be required to obtain a license as a gaming employee from the Ak-Chin Indian Community Gaming Agency pursuant to this Code, and for that purpose the Agency shall conduct or cause to be conducted background investigations of all such employees and shall deny or revoke such licenses for any employee whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming. The Agency shall notify the National Indian Gaming Commission of the results of its background investigation for the primary management officials and key employees of its Class II gaming operations who are not licensed as gaming employees pursuant to the Compact, in accordance with such regulations or procedures as the National Indian Gaming Commission may establish.

services, or concessions for a contract amount in excess of $25,000 annually (except contracts for professional legal or accounting services) relating to Class II or Class III gaming shall be subject to such audits.

(d) Public Safety Standards. In compliance with 25 U.S.C. § 2710(b)(2)(E), the construction and maintenance of any Gaming Facilities, and the operation of gaming activities, shall be conducted in a manner which adequately protects the environment and the public health and safety and for that purpose shall comply with the requirements of the Compact and all other applicable health, safety and environmental standards enacted by the Community.

(e) Background investigations and licensing. In compliance with 25 U.S.C. § 2710(b)(2)(F):

(i) All Class III gaming employees, as defined in the Compact, as well as all primary management officials, key employees and principals of the Class III gaming Operation, shall be subject to the background investigation and licensing requirements of this Code and the Compact, as set forth in the Compact, which include requirements for initial background investigations and ongoing review for all gaming employees. The Community shall notify the National Indian Gaming Commission of the results of the licensing process for its primary management officials and key employees in accordance with such regulations or procedures as

(iii) Before issuing a permanent license to a gaming employee, the Ak-Chin Indian Community Gaming Agency shall forward the results of the appropriate background investigation to the National Indian Gaming Commission in such form as shall be required by the National Indian Gaming Commission.

(iv) If the Ak-Chin Indian Community Gaming Agency determines, on the basis of the background investigation conducted under subsection (i) and such other information as it may obtain, that the applicant is qualified for a gaming employee license, the Agency may, but shall not be required to issue such license. The Agency, at its sole discretion, may impose any qualifications to such license it deems appropriate, or may refuse to issue such license despite an applicant's qualifications.

(v) All persons who are not gaming employees but work at any facility where authorized gaming occurs or is supervised or administered, must obtain a non-gaming work permit. Such work permits shall be issued upon determining that the employee is not a threat to the effective regulation of gaming and creates no risk or enhances no danger of unfair or

illegal practices, methods or activities in the conduct of gaming on the Reservation. All applicants for work permits shall provide the information required in the Compact.

(vi) Any person or entity proposing to sell or lease Electronic Games of Chance, other Gaming Devices or Gaming Services to the Community shall be licensed to do so. The procedures for such license and the standards thereof are the same as those applicable to gaming employees herein, except that if applicant is a corporation, trust or partnership, applications must be made by any person or entity holding 10% or more of any beneficial or legal interest therein.

SECTION 6. PENALTIES. Any individual who violates any provision of this Code, including the provisions of the Compact incorporated herein, shall be subject to civil penalties including exclusion from employment by any Community Gaming Operation, denial or revocation of a Community gaming license, exclusion from attendance at any Community Gaming Facility, exclusion form the Reservation if a non-member of the Community, or, with respect to any person subject to the jurisdiction of the Community to impose such fines, a fine of not more than $5,000.00 for each such violation. The Ak-Chin Indian Community Gaming Agency established pursuant to this Code shall have the jurisdiction to impose any

such penalties on any person within the jurisdiction of the Community to impose such penalties.

SECTION 7. COMMUNITY GAMING AGENCY.

(a) Establishment of Agency. There shall be established an Ak-Chin Community Indian Community Gaming Agency consisting of a chairman and four other members who shall be appointed by the Community Council, at least three of whom shall be members of the Community, but none of whom shall be employees of the Gaming Operation, and who shall each serve for a term of two years commencing on the date of their appointment; provided, that the initial members so appointed shall serve for terms deemed to commence on the date the Compact is approved by the State, and two of the initial members appointed shall be designated to serve for an initial term of one year and three of the initial members appointed shall be designated to serve for an initial term of two years. The members of the Agency shall serve on a part time basis and the compensation of members of the Agency shall be established by the Community Council. Members of the Agency may be removed for cause by a majority vote of the members of the Community Council then in office. Vacancies in the Agency may be filled by appointment by the Community Council. No member or employee of the Agency shall participate as a player in any gaming activity conducted by the Community.

(b) Powers and duties of Agency. The Agency shall have the following powers and duties:

(i) The Agency shall have primary responsibility for oversight of the Community Gaming Operation to assure the integrity of such operation and shall, for that purpose, employ non-uniformed inspectors who may be present in all gaming facilities during all hours of operation and who shall be under the sole supervision of the Agency and not under the supervision of the management employees of the Community Gaming Operation. Such inspectors shall have unfettered access to all areas of the Gaming Facilities at all times, and personnel employed by the Gaming Operation shall for such purposes provide such inspectors access to locked and secure areas of the gaming facilities in accordance with the standards of operation and management promulgated pursuant to the Compact. Such inspectors shall report to the Ak-Chin Indian Community Gaming Agency regarding any failure by the Gaming Operation to comply with any of the provisions of the Compact or this Code and any other applicable laws and ordinances. Inspectors assigned by the Agency may also receive customer complaints within the gaming facilities and shall assist in seeking voluntary resolution of such

complaints. Inspectors appointed by the Commission shall be licensed as gaming employees in accordance with the Compact.

(ii) The Agency may on its own initiative investigate any aspect of the Gaming Operation in order to protect the public interest in the integrity of such gaming activities and to prevent improper or unlawful conduct in the course of such gaming activities, and shall investigate any report of a failure of the Gaming Operation to comply with the provisions of the Compact or this Code and may require the Gaming Operation to take any corrective action deemed necessary by the Agency upon such terms and conditions as the Agency may determine appropriate. The Agency may compel any licensee, person employed by or doing business with the Gaming Operation to appear before it and to provide such information, documents or other materials as may be in their possession to assist in any such investigation.

(iii) The Agency shall carry out each of the responsibilities and duties set forth for the Community Gaming Agency in the Compact.

(iv) The Agency shall prepare a plan for the protection of public safety and the physical security of patrons in each of its gaming facilities, setting

forth the respective responsibilities of the Agency, the security department of the Gaming Operation, any Community police agency, and if appropriate, any State or local police agency.

(v) The Agency shall review and approve floor plans and surveillance systems for each gaming facility and may confer with the State Gaming Agency or other organizations regarding the adequacy of such plans and systems.

(vi) The Commission may promulgate, review and revise (as necessary) regulations to govern the operation and management of the Gaming Operation in accordance with the Compact.

(vii) The Agency may issue and revoke licenses for Class III gaming employees in accordance with section 5(e)(i) of this Code.

(viii) The Agency may issue and revoke licenses for Class II gaming employees in accordance with section 5(e)(ii) of this Code.

(ix) The Agency shall establish a list of persons barred from the gaming facilities because their criminal history or association with career offenders or career offender organizations poses a threat to the integrity of the gaming activities of the Community.

(x) The Commission shall promulgate, review and revise (as necessary) the Technical Standards and rules of each game of chance operated by the Community pursuant to the Compact and shall in accordance with the provisions of the Compact notify the State Gaming Agency of such rules and of any change in such rules.

(xi) The Agency shall enforce the health and safety standards applicable to the Gaming Facilities in accordance with section 5(d) of this Code. Prior to the opening of any facility for Class III gaming, a Gaming Operation shall obtain a certificate of compliance from the Agency relating to the Class III Gaming Facilities. The Agency shall issue a certificate of compliance to the Gaming Operation upon a determination that the Gaming Facilities comply with such standards.

(xii) The Agency may impose penalties for violations of this Code or the Compact in accordance with section 6 of this Code.

(xiii) The Agency may in the name of the Community bring any civil action or criminal complaint in the courts of the Community, State or the United States to enforce the provisions of this Code, the Act or the Compact or to enjoin or otherwise prevent any

violation of this Code, the Act or the Compact, occurring on the Reservation.

(xiv) The Agency may receive any complaint from an employee of the Gaming Operation or any member of the public who is or claims to be adversely affected by an act or omission of the Gaming Operation or any employee thereof which is asserted to violate this Code or the Compact, and may impose such remedial action as it deems appropriate to bring the Gaming Operation into compliance with such provisions. The Agency may for this purpose, in its sole discretion, conduct a hearing and receive evidence with regard to such complaint if it deems an evidentiary proceeding useful in the resolution of such complaint.

(xv) The Agency shall adopt an annual operating budget which shall be subject to the approval of the Community Council and may in accordance with said budget employ such staff from time to time as it deems necessary to fulfill its responsibilities under this Code and the Compact, and may retain legal counsel, consultants and other professional services, including investigative services, to assist the Agency with respect to any of the issues over which the Agency exercises jurisdiction. The expenses of the Agency in accordance with such

budget shall be assessed against the Gaming Operation and the Gaming Operation shall pay such assessments to the Community.

(c) Chairman. The Chairman of the Agency or any other member of the Agency acting in the absence of the Chairman may, whenever he deems it necessary to protect the public interest in the integrity of Community gaming operations, issue in the name of the Agency any order which the Agency has the power to issue, to the Gaming Operation or to any employee or contractor of the Gaming Operation or to any other person within the jurisdiction of the Community, to take any action or cease and desist from any action as may be required to protect the public interest; provided, that such order shall be subject to review by the Agency at its earliest opportunity, whereupon it may be confirmed or vacated by the Agency.

(d) Executive Director. The Ak-Chin Indian Community Gaming Agency shall appoint an individual to serve as Executive Director of the Agency to administer its responsibilities as necessary and to oversee inspectors appointed by the Agency as well as such other staff as the Agency may from time to time employ. The Executive Director shall be responsible for coordination of the functions of the Agency with the State Gaming Agency and other federal, state and local agencies as necessary. The Chairman may request the Executive Director to conduct a preliminary investigation and render a recommendation to the Agency with respect to the grant or denial of any license, the imposition of any penalty, the

investigation of any complaint, or any other action within the jurisdiction of the Agency. The Executive Director shall have the power, in the name of the Agency, to conduct any hearing, investigation or inquiry, compel the production of any information or documents, and otherwise exercise the investigatory powers of the Agency, which the Agency may exercise under this Code.

(e) Procedures of the Agency.

(i) Regular meetings of the Agency may be held upon such notice, or without notice, and at such time and place as shall from time to time be fixed by the Agency. Unless otherwise specified by the Agency, no notice of such regular meetings shall be necessary.

(ii) Special meetings of the Agency may be called by the Chairman or the Executive Director. The person or persons calling the special meeting shall fix the time and place thereof. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Agency need to be specified in the notice of the meeting.

(iii) At any meeting of the Agency, a majority of the members then in office shall constitute a quorum for the transaction of business. The vote of a majority of the members present at a meeting at which a quorum is present shall be the act of the Agency. The Chairman shall preside at all meetings

of the Agency unless the Chairman designates another member to preside in his absence.

(iv) Any action required or permitted to be taken at a meeting of the Agency may be taken without a meeting if all of the members sign written consents setting forth the action taken or to be taken , at any time before or after the intended effective date of such action. Such consents shall be filed with the minutes of the Agency, and shall have the same effect as a unanimous vote or resolution of the Agency at a legal meeting thereof.

(v) Members of the Agency may participate in a meeting of the Agency by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting in such manner by any member who does not object at the beginning of such meeting to the holding thereof in such manner shall constitute presence in person at such meeting.

(vi) No action of the Agency to impose a penalty pursuant to section 6 of this Code, or to revoke a license for a gaming employee previously issued by the Agency, shall be valid unless the person affected is given at least seven days' notice of the proposed action and the opportunity to appear and

be heard before the Agency, either in person or through a representative or legal counsel, and to submit such evidence as the Agency deems relevant to the matter at issue; provided, that if the Agency deems it necessary to protect the public interest in the integrity of the gaming activities, the Agency may take such action with immediate effect as it deems required, and shall thereupon provide notice and an opportunity to be heard to the affected person as soon as is reasonably practicable following such action. Any person who is denied an initial gaming employee license or who is barred from the gaming facilities by action of the Agency may request a hearing before the Agency by written request submitted within thirty days following receipt of notice of the action of the Agency, and the Agency shall thereupon afford an opportunity to appear and be heard before the Agency, either in person or through a representative or legal counsel, and to submit such evidence as the Agency deems relevant to the matter at issue and thereafter the Agency shall either affirm or reconsider its decision. Any hearing conducted under this sub-section may at the direction of the Agency be conducted by the Executive Director or by one or more members of the

Agency designated by the Agency for that purpose.

(vii) Decisions of the Agency to deny, suspend, or revoke license pursuant to this section, may be appealed to the Community Council by the aggrieved person, and the Council shall upon receipt of such appeal afford the aggrieved person an evidentiary hearing; within thirty days thereafter provided, however, that where such denial, suspension or revocation is based upon confidential information furnished by an investigative Agency, which may not as a matter of law be disclosed to the aggrieved person by the Community Agency, such circumstances shall not be grounds for reversal of the decision to deny, suspend or revoke the license. It is the intention of this Code that the public interest in the integrity of gaming is such that the burden of proof to establish fitness for a gaming employee license shall be upon the applicant or licensee, as the case may be.

(viii) The Agency may adopt such additional procedures and rules as it deems necessary or convenient to govern its affairs and which are consistent with this Code and the Compact.

SECTION 8. STANDARDS OF OPERATION AND MANAGEMENT.

(a) Class III gaming. The initial technical standards

of operation and management for Class III gaming adopted in accordance with the Compact shall be those set forth as Appendix "A" of the Compact.

(b) Class II gaming. The Agency may adopt standards of operation and management for Class II gaming, and pending such adoption, may direct the Gaming Operation to comply with such standards as the Agency may determine necessary to protect the integrity of such Class II games.

SECTION 9. PROHIBITED ACTS.

It shall be a violation of this Code for any person to:

(a) Conduct or participate in any Class II or Class III Gaming Operation on the Reservation other than at the Gaming Facilities.

(b) Receive, distribute, apply or divert any property, funds proceeds or other assets of the Gaming Operation to the benefit of any individual or any other person except as authorized by this Code, the Compact or the Act.

(c) Tamper with any equipment used in the conduct of Community gaming operations with the intent to cause any person to win or lose any wager other than in accordance with the publicly-announced rules of such gaming operation.

(d) Do any other act in connection with the conduct of the Community gaming operations with the intent to affect the outcome of any wager other than in accordance with the publicly-announced rules of such gaming operations.

(e) To alter or misrepresent the outcome or other event on

the Agency or other lawful coin, legal tender of the United States of America, or to use a coin not of the same denomination as the coin intended to be used in the gaming device.

(l) To possess, with the intent to use, any devise to assist in projecting the outcome of the game, in keeping track of the cards played, in analyzing the probability of the occurrence of an event relating to the game, or in analyzing the strategy for playing or betting to be used in the game.

(m) To use any device or means to cheat, or to possess any such device while at the Gaming Facility.

(n) Knowingly to entice or induce another to go to any place where gaming is being conducted or operated in violation of the provisions of the Compact or this Code, with the intent that the other person play or participate in that gaming.

CERTIFICATION

The foregoing Ak-Chin Indian Community Gaming Code was duly adopted at a meeting of the Ak-Chin Community Council held on this 19 day of January, 1993, at which 4 members were present constituting the required quorum, by a vote of 4 for, 0 against, 0 abstaining.

Delia Carlyle, Chairman
Ak-Chin Indian Community Council

Attest: _____
Franklin R. Sam, Secretary
Ak-Chin Indian Community Council

which wagers have been made after the outcome is made sure but before it is revealed to the players.

(f) To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet of determining the course of play contingent upon that event or outcome.

(g) To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gaming device, with intent to defraud, without having made a wager thereon, or to claim, collect or take an amount greater than the amount won.

(h) To place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.

(i) To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets.

(j) To manipulate, with the intent to cheat, any component of an electronic game of chance or gaming device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to manipulating a gaming device, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.

(k) Knowingly to use other than coins or tokens approved by

APPENDIX C

SECURITY AND SURVEILLANCE REQUIREMENTS

TRIBAL/STATE COMPACT BETWEEN THE AK-CHIN INDIAN COMMUNITY AND THE STATE OF ARIZONA

APPENDIX "C"

STATE OF ARIZONA GAMING COMPACT

SECURITY AND SURVEILLANCE REQUIREMENTS

(A) Closed Circuit Television. The Gaming Facility operator shall install, maintain and operate a closed circuit television system according to the specifications set forth in this Appendix. The Tribal Gaming Agency and the State Gaming Agency shall have access to the system or its signal at all times.

(B) Required Equipment. The closed circuit television system shall include, but shall not be limited to, the following equipment:

(1) Cameras. Pan, tilt, zoom, commonly referred to as P.T.Z. cameras, that are light sensitive and capable of being placed behind a dome or one-way mirror which conceals the P.T.Z. cameras from view. Each camera shall have the capability to distinguish a clear, unobstructed view of the areas where gaming devices are operated.

(2) Video printers. Video printers shall be capable of adjustment and shall possess the capability to generate instantaneously upon command a clear, still copy of the image depicted on a videotape recording with a minimum of 128 shades of gray.

(3) Video screens. Video monitor screens must be at least 12 inches measured diagonally and all controls must be front mounted. Solids state circuitry is required.

(4) Date and time generators. Date and time generators shall be capable of recording both time and date of the recorded events without obstructing the recorded view. Recordings must be in military time (i.e., 24-hour format).

(5) Universal power supply. The system and its equipment must be directly and securely wired in a manner designed to prevent tampering with the system.

(6) Camera domes. Camera domes shall be of sufficient quality and size to accommodate P.T.Z. cameras and shall be capable of providing clear, unobstructed views.

(7) Video switchers. Video switchers shall be capable of both manual and automatic sequential switching for the entire surveillance system.

(8) Videotape recorders. Videotape recorders shall be capable of producing high quality, first generation pictures with a horizontal resolution of a minimum of 300 lines nonconsumer, professional grade, and recording standard 1/2 inch, VHS tape with high-speed scanning and flickerless playback capability in real time. In addition, recorders shall have time and date insertion capabilities for taping that which is being viewed by any camera in the system. A minimum of one video recorder for every eight video cameras is required.

(C) Required surveillance. The Gaming Facility shall conduct and record surveillance which allows clear, unobstructed views in the following areas of the gambling facility:

(1) Overall views of the gaming device operating area. Each gaming device shall have the capability of being viewed by no less than two cameras and each camera shall have the resolution capability to determine the denomination of bills, coins and/or tokens being used in such gaming devices;

(2) All areas within cashier cages and booths, including, but not limited to, customer windows, employee windows, cash drawers, vaults, safes and counters. Every transaction occurring within or at the cashier cages must be recorded with sufficient clarity to permit identification of currency, tokens, paperwork, employees and patrons;

(3) All entrance and exit doors to the gaming device operating area shall be monitored by the surveillance system if they are utilized for the movement of uncounted moneys or tokens. Elevators, stairs and loading and unloading areas shall b e monitored if they are utilized for the movement of uncounted moneys or tokens;

(4) All areas within a hard count room and any area where uncounted coin or coin whose loss could impact gaming facility revenue reporting is stored during the drop and count process, including solid walls, doors, solid ceilings, scales, wrapping machines, coin sorters, vaults, safes, and general work surfaces;

(5) All areas within a soft count room, including solid walls, doors, solid ceilings, stored drop boxes, vaults, safes, and counting surfaces which shall be transparent;

(6) Overall views of patrons, dealers, spectators and inspectors, with sufficient clarity to permit identification thereof;

(7) Overall views of the movement within the Gaming Facility of cash and tokens, drop boxes and drop buckets;

(8) All areas on the general gaming device operation floor with sufficient clarity to permit identification of all players, employees, patrons and spectators;

(9) In addition, every Gaming Facility Operator who exposes Video Game and Chance for play shall install, maintain, and operate at all times a casino surveillance system that possesses the capability to monitor and record clear, unobstructed views of the following:

(a) All Gambling Device change booths, including their cash drawers, countertops, counting machines, customer windows, and employee windows, recorded with sufficient clarity to permit identification of all transactions, cash, and paperwork therein;

(b) All areas shall be recorded with sufficient clarity to permit identification of all Gambling Device numbers;

(c) All areas shall be recorded with sufficient clarity to permit identification of all players, employees, patrons, and spectators.

(D) Equipment in Commission surveillance offices. Gambling facilities shall be equipped with a minimum of two 12-inch monochrome video monitors with control capability of any video source in the surveillance system. The following shall be additional mandatory equipment for the surveillance office:

(1) Video printer;

(2) Video recorders;

(3) Audio pickup of soft count room;

(4) Time and date generators, if not in the master surveillance system;

(5) Total override surveillance system capabilities.

(6) All closed circuit cameras shall be equipped with lenses of sufficient quality to allow clarity of the value of gaming tokens and currency or coins. These cameras shall be capable of black and white recording and viewing except those covering exits and entrances of the gaming device area, which shall be capable of recording in color.

(E) Lighting. Adequate lighting shall be present in all areas of gaming device area and count rooms to enable clear video reproduction.

(F) Surveillance room. There shall be provided in each gambling facility a room or rooms specifically utilized to monitor and record activities on the gaming device area floor, count room, cashier cages and slot cages. These rooms shall have a trained surveillance person present during gaming facility operating hours. The surveillance room shall be equipped with an audio pickup system. In addition to the mandatory equipment requirements set forth in Paragraph (D) of this Appendix, the following are requirements for the operation of equipment in the surveillance rooms:

(1) Surveillance equipment. All equipment that may be utilized to monitor or record views obtained by a gaming device area surveillance system must remain located in the room used exclusively for surveillance security purposes, except for equipment which is being repaired or replaced. The entrance to the surveillance room shall be locked or secured at all times except during ingress and egress by authorized personnel.

(2) Override capability. At the option of the Tribal Gaming Agency, any surveillance equipment utilized by the Tribal Gaming Agency must have total override capability over any other satellite monitoring equipment in other gaming facility offices.

(3) Agency access. Authorized Employees of the Tribal Gaming Agency and the State Gaming Agency shall at all times be provided immediate access to the surveillance room and other surveillance areas. Also, all authorized Tribal Gaming Agency and State Gaming Agency employees shall have access to all records and areas of such rooms.

(4) Surveillance logs. Entry in a permanent surveillance log shall be required when requested by the Tribal Gaming Agency or the State Gaming Agency whenever surveillance is conducted or anyone, or whenever any activity that appears unusual, irregular, illegal or in violation of applicable rules is observed. Also, all telephone calls to the surveillance room shall be logged.

(5) Blueprints. A copy of the configuration of the gaming device area floor shall be posted in the surveillance room at the gaming facility and updated immediately upon any change. Also included shall be the location of any change, and the location of surveillance cameras and gaming devices by assigned numbers. Copies of such blueprints shall also be made available to authorized personnel in the gaming facility surveillance room.

(6) Storage and retrieval. Surveillance personnel will be required to label and file all videotape recordings. The date, time, and signature of the person making the recording shall be recorded. All videotape recordings shall be retained for at least seven (7) days after recording unless a longer period is required by the Tribal Gaming Agency, the State Gaming Agency, or a court order. Original audio tapes and original video tapes shall be released to the Tribal Gaming Agency or State Gaming Agency upon demand.

(7) Malfunctions. Each malfunction os surveillance equipment must be repaired within 24 hours of the malfunction. If, after 24 hours, activity in the affected area cannot be monitored, the gaming device shall be closed to play until such coverage can be provided. A record of all malfunctions shall be kept and reported to the Tribal Gaming Agency on a daily basis.

(8) Security. Entry to the surveillance room is limited to persons approved by the Tribal Gaming Agency or State Gaming Agency. A log of personnel entering and exiting the surveillance room shall be maintained and submitted to the Tribal Gaming Agency every 30 days.

(G) Playback station. An area is required to be provided within the gaming facility offices that will include, but is not limited to, a video monitor and a video recorder with the capability of producing first generation videotape copies.

(H) Additional requirements.

(1) Audio and videotape monitoring. Audio and videotape monitoring will be continuous in the surveillance room. When someone is being detained in the security detention areas, audio and videotape recording shall be continuous. These recordings shall be retained for thirty (30) days after the recorded event, unless directed otherwise by the Tribal Gaming Agency, State Gaming Agency or a court order.

(2) Agency access. The Tribal Gaming Agency and the State Gaming Agency and their respective authorized employees shall at all times be provided immediate access to the surveillance room and all areas, public and non-public, of the gaming facility.

(3) Written plans and alterations. The gaming facility operator shall submit to the Tribal Gaming Agency and the State Gaming Agency for approval a written surveillance system plan no later than five (5) days prior to the start of gaming operations.

(4) Surveillance system plan. The surveillance system plan must include a gaming device area floor plan that shows the placement of all surveillance equipment in relation to the locations required to be covered and a detailed description of the surveillance system and its equipment.

(I) Changes in gaming locations. The Gaming Facility operator may change the location of gambling devices within the facility. The surveillance system must also be adjusted, if necessary, to provide the coverage required by this Appendix. The Tribal Gaming Agency must approve the change in the surveillance system coverage before the relocated gambling devices may be placed in operation. The Gaming Facility operator must submit any change to the surveillance system showing the change in the location of gambling devices and related security and surveillance equipment within seven (7) days in advance of the proposed changes to the Tribal Gaming Agency and the State Gaming Agency.

(J) Surveillance during nongambling hours. Security surveillance will be required during nongambling hours as follows:

(1) Cleanup and removal time. At any time cleanup operations or money removal is being conducted in the gambling device operating area, the security surveillance room shall be staffed with a minimum of one trained surveillance person.

(2) Locked down mode. Any time the Gaming Facility is closed and in a locked down mode, sufficient surveillance coverage shall be conducted to monitor and record the facility area in general, so that security integrity is maintained. During this period it is not required that a trained security surveillance person be present.