

SETTLEMENT AGREEMENT # 12-1

This Settlement Agreement ("Agreement") is entered into by and between The Titan Agency, L.L.C., Mercury Gaming Group LLC, Anthony DeMartino, Jr., Michael Gavenchak, and Douglas Pattison and the Chairwoman of the National Indian Gaming Commission ("NIGC Chair" or "Chairwoman"), relating to the matters contained in the NIGC Chairwoman's Notice of Violation No. NOV-12-1.

RECITALS

1. Whereas, the Indian Gaming Regulatory Act, 25 U.S.C. § 2701 *et seq.* ("IGRA"), authorizes the NIGC Chairwoman to issue civil fines for violations of the IGRA, National Indian Gaming Commission ("NIGC") regulations, or tribal regulations, ordinances, or resolutions approved by the NIGC Chairwoman under 25 U.S.C. §§ 2710, 2712. 25 U.S.C. § 2713(a)(1).
2. Whereas, under the regulations of the NIGC, 25 C.F.R. § 573.3(a), the NIGC Chairwoman may issue a Notice of Violation ("NOV") to any person for violations of any provision of the IGRA, NIGC regulations, or any provision of a tribal gaming ordinance or resolution approved by the Chairwoman.
3. Whereas, under NIGC regulation, 25 C.F.R. § 573.6(a)(7), it is a substantial violation of IGRA for a third party to manage all or part of an Indian gaming operation without a contract approved by the NIGC Chair.
4. Whereas, on August 22, 2012, the NIGC Chairwoman issued NOV-12-1 alleging that The Titan Network LLC ("Titan"), Mercury Gaming Group LLC ("Mercury"), Michael Gavenchak, Anthony DeMartino and Douglas Pattison, managed the Thlopthlocco Tribal Town's (Tribe) gaming facility, known as the Golden Pony Casino (Gaming Facility"), from on or about September 6, 2005 to and including December 31, 2010, without a management contract approved by the NIGC Chair. Titan, Mercury, Gavenchak, DeMartino and Pattison deny same.
5. Whereas, Titan, Mercury, Michael Gavenchak, Anthony DeMartino, Douglas Pattison and the NIGC Chairwoman desire to resolve this matter without undertaking the burdens, costs, risks and uncertainties associated with formal administrative and judicial proceedings.
6. Therefore, based on the above and foregoing as well as the terms set out herein and below, the NIGC Chairwoman and Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison have agreed to execute this Agreement and perform in accordance with the following covenants and conditions:



TERMS OF SETTLEMENT

7. This Agreement is entered into by Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison and the NIGC Chairwoman pursuant to 25 C.F.R. § 584.10 and shall be effective upon execution by the parties ("Effective Date").
8. Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison agree that the NIGC possesses jurisdiction over this action, and that the NIGC Chairwoman has authority to levy and collect civil fines for such violations. 25 U.S.C. § 2713(a). Neither this Agreement nor its terms may be construed as an admission of liability, responsibility or violation by the respondents. The allegations remain specifically denied.
9. Titan, Mercury, Michael Gavenchak, and Anthony DeMartino agree that they will never contract or agree to do business with an Indian gaming operation, either in their individual capacity or as an owner or part owner or partner or shareholder, whether silent or otherwise, of any company, corporation, LLC, partnership, or any other entity. Prohibited activities include, but are not limited to: managing an Indian gaming operation; being employed to work in or for an Indian gaming operation; providing goods or services to an Indian gaming operation, including marketing, development or consultation services; providing financing to or for an Indian gaming operation; or leasing anything to an Indian gaming operation.
10. Douglas Pattison agrees that he shall not contract or agree to do business in the Indian gaming industry for a period of two (2) years, such period commenced on October 7, 2011 and ending on October 6, 2013. During the period identified herein, Douglas Pattison agrees that he will not conduct any business whatsoever with any Indian gaming operation, either in his individual capacity or as an owner or part owner or partner or shareholder, whether silent or otherwise, of any company, corporation, LLC, partnership, or any other entity. Prohibited "involvement" includes, but is not limited to: managing an Indian gaming operation; being employed to work in or for an Indian gaming operation; providing goods or services to an Indian gaming operation, including marketing, development or consultation services; providing financing to or for an Indian gaming operation; or leasing anything to an Indian gaming operation.
11. Douglas Pattison further agrees to report quarterly in writing to the NIGC all contacts (whether verbal, electronic, or in writing), that he has either personally, or as an owner or part owner or partner or shareholder, whether silent or otherwise, of any company, corporation, LLC, partnership, or any other entity, with any Indian Tribe regarding employment, consulting, development, financing, equipment leasing or any other business involvement in tribal gaming operations for a period of two (2) years starting October 7, 2013.
12. If Douglas Pattison, either personally, or as an owner or part owner or partner or shareholder, whether silent or otherwise, of any company, corporation, LLC, partnership,

or any other entity, contracts with or otherwise enters into any working relationship or agreement that involves gaming activity with any Indian Tribe, he shall advise the NIGC, within thirty (30) days of the starting date of such employment or agreement or working relationship, in writing of the nature of the employment, agreement, or relationship and shall submit to the NIGC all employment, consulting, development, finance, equipment lease or other agreements which were entered into with the Tribe or any of its entities or any of its management contractors. Mr. Pattison agrees that this requirement shall apply for a period of two (2) years starting October 7, 2013.

13. Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison agree to a collective civil fine in the amount of Five Hundred Thousand Dollars (\$500,000.00). Two Hundred Thousand Dollars (\$200,000) shall be made payable to the U. S. Department of Treasury and received by the NIGC within 180 days of the date of this Agreement. The remaining Three Hundred Thousand Dollars (\$300,000) shall be stayed pending full compliance with the terms of this Agreement.
14. Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison further agree that this Agreement fully resolves their appeal of NOV 12-1.
15. Titan, Mercury, Michael Gavenchak, Anthony DeMartino, and Douglas Pattison are aware of their rights to:
 - A. Submit written information about the violation to the Chairwoman prior to issuance of a civil fine assessment by the Chairwoman and to have at least fifteen (15) days after the issuance of a notice of violation to do so under 25 C.F.R. § 575.5;
 - B. Appeal the notice of violation to the full Commission under 25 C.F.R. Part 584 or 585;
 - C. A hearing to contest the matter under 25 C.F.R. Part 584;
 - D. Request a reduction or waiver of a civil fine under 25 C.F.R. § 575.6; and
 - E. Seek judicial review of any final determination by the full Commission pursuant to 25 U.S.C. § 2714.
16. In exchange for the terms, conditions, and understandings set forth herein, Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison hereby waive the rights specified in Section Fifteen (15) of this Agreement and any other right to seek judicial review or otherwise challenge or contest the Chairwoman's actions under this Agreement, including the right to have the Chairwoman provide her written analysis of the factors to be considered in assessing a civil fine set forth under 25 C.F.R. § 575.4.
17. After the Effective Date, the NIGC shall inform the Presiding Official that the parties have entered a settlement agreement and shall transmit a copy of the Agreement to the Presiding Official and shall request that the Presiding Official certify the Agreement and dismiss the administrative appeal. Titan, Mercury, Michael Gavenchak, Anthony

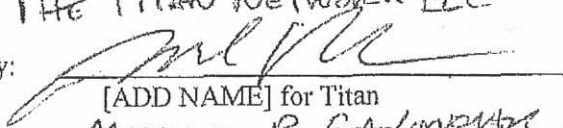
DeMartino and Douglas Pattison consent to the Motion to Certify the Settlement Agreement and the NIGC may represent that such consent is given.

18. The parties agree that the Presiding Official's certification of the Agreement shall constitute dismissal of the appeal and final agency action pursuant to 25 C.F.R. § 584.10(d).
19. The Chairwoman agrees that, upon execution of this Agreement, the NIGC shall not institute further proceedings or actions or assess any additional sanctions against Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison for actions or omissions arising out of, or related to, the subject matter of NOV 12-1 and occurring prior to the Effective Date; provided that, if Titan, Mercury, Michael Gavenchak, Anthony DeMartino or Douglas Pattison fail to comply with any term or condition of this Agreement, each agrees that the stayed portion of the civil fine imposed in Section Fourteen (14) of this Agreement shall become fully due and payable on the date of the breach of this Agreement. In such circumstance, the NIGC shall issue a written notice to Titan, Mercury, Michael Gavenchak, Anthony DeMartino and/or Douglas Pattison in accordance with 25 C.F.R. § 513.4. NIGC regulation, 25 C.F.R. § 513.6, will govern any request by Titan, Mercury, Michael Gavenchak, Anthony DeMartino and/or Douglas Pattison for the Commission to reconsider the debt.

ADDITIONAL COVENANTS

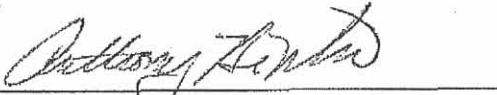
20. This Agreement constitutes the entire agreement between the NIGC Chairwoman and Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison relating to the enforcement action set forth above, and supersedes all prior verbal or written agreements and understandings between the parties related to the subject matter hereof. No warranties, representations, covenants, or agreements shall be binding upon any party except as set forth herein. Any modification or waiver of any term of this Agreement must be in writing and signed by all the parties.
21. The Parties agree and understand that this Agreement is intended to apply only to those gaming entities under the jurisdiction of the NIGC pursuant to the IGRA.
22. Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison agree that this Agreement shall be deemed to be the subject of a final order of the NIGC under 25 C.F.R. § 575.4(c)(1) and a final agency action pursuant to 25 C.F.R. § 584.10(d).
23. The NIGC Chairwoman and Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison expressly agree and acknowledge that time is of the essence in this Agreement. The recitals herein and above set shall be binding upon the parties, their agents, heirs, personal representatives, successors and assigns.
24. Titan, Mercury, Michael Gavenchak, Anthony DeMartino and Douglas Pattison agree that, after the Effective Date, this Agreement shall be a public document and may be published or disclosed by either party.

25. This Agreement may be executed on one or more counterparts and each shall constitute an original. A signature produced by facsimile shall be deemed to be an original signature and shall be effective and binding for purpose of the Agreement.


THE TITAN NETWORK LLC
By:  Date: 9/12/13
[ADD NAME] for Titan
MICHAEL R. GAVENCHAK

By: _____ Date: _____
[ADD NAME] for Mercury

By:  Date: 9/12/13
Michael Gavenchak


By:  Date: 9/13/13
Anthony DeMartino

By: _____ Date: _____
Douglas Pattison

By:  Date: 9/19/13
Tracie L. Stevens, Chairwoman
National Indian Gaming Commission

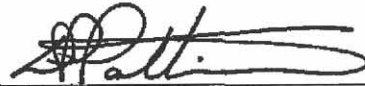
25. This Agreement may be executed on one or more counterparts and each shall constitute an original. A signature produced by facsimile shall be deemed to be an original signature and shall be effective and binding for purpose of the Agreement.


By: _____ Date: _____
[ADD NAME] for Titan

By:  _____ Date: 09/16/13
[ADD NAME] for Mercury
DOUGLAS PATTISON

By: _____ Date: _____
Michael Gavenchak

By: _____ Date: _____
Anthony DeMartino

By:  _____ Date: 09/16/13
Douglas Pattison

By:  _____ Date: 9/19/13
Tracie L. Stevens, Chairwoman
National Indian Gaming Commission