



# United States Department of the Interior



OFFICE OF THE SECRETARY  
Washington, D.C. 20240

NOV 17 1993

Honorable Theodore Smith, Sr.  
Chairman  
Yavapai-Apache Nation  
P.O. Box 1188  
Camp Verde, Arizona 86322

Dear Chairman Smith:

On July 21, 1993, we received the compact between the Yavapai-Apache Nation (Nation) and the State of Arizona (State), dated June 24, 1993.

We have completed our review of your Compact and conclude that it does not violate the 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 the notice of our approval, pursuant to Section 11 (d)(3)(b) of IGRA, 25 U.S.C. § 2710(d)(8)(D) is published in the FEDERAL REGISTER.

Notwithstanding our approval of the Compact, be advised that Section 11(d)(1) of the IGRA, 25 U.S.C. § 2710(b)(1)(B) requires that gaming cannot be conducted without a tribal gaming ordinance 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 the 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. Pursuant to the IGRA and the regulations, even previously existing gaming ordinances must be submitted to the NIGC for approval when requested by the Chairman.

In addition, if the Nation intends to enter into a management contract for the operation and management of the Nation's gaming facility, the contract must likewise be submitted to, and approved by the Chairman of the NIGC pursuant to Section 11(d)(9) of the IGRA, 25 U.S.C. § 2710(d)(9) and the NIGC's

8-27-93

NIGC

regulations governing management contracts. The Nation may want to contact the NIGC at (202) 632-7003 for further information on submitting the ordinance and the management contract for approval by the NIGC.

We wish the Nation and the State success in their economic venture.

Sincerely,

*/s/ Ada H. Deer*

Assistant Secretary - Indian Affairs

Enclosures

Identical Letter Sent to: Honorable Fife Symington  
Governor of Arizona  
State Capitol  
Phoenix, Arizona 85007

cc: Phoenix Area Director w/copy of approved Compact  
Supt., Truxton Canon Agency w/copy of approved Compact  
██████████ Gaming Commission w/██████████ Compact  
Phoenix Area Field Solicitor w/copy of approved Compact  
Phoenix United States Attorney w/copy of approved Compact

**YAVAPAI-APACHE NATION**

**AND**

**STATE OF ARIZONA**

**GAMING COMPACT**

**1993**

**YAVAPAI-APACHE NATION-STATE OF ARIZONA GAMING COMPACT**

<b>DECLARATION OF POLICY AND PURPOSE</b> .....	1
<b>SECTION 1 TITLE</b> .....	2
<b>SECTION 2 DEFINITIONS</b> .....	2
<b>SECTION 3. NATURE, SIZE AND CONDUCT OF CLASS III GAMING</b> .....	11
(a) <b>Authorized Class III Gaming Activities</b> .....	11
(b) <b>Appendicies Governing Gaming</b> .....	12
(c) <b>Number of Gaming Devices</b> .....	13
(d) <b>Number of Keno Games</b> .....	14
(e) <b>Additional Games</b> .....	15
(f) <b>Authorized Gaming Facility Locations</b> .....	17
(g) <b>Forms of Payment</b> .....	17
(h) <b>Wagering Limitations</b> .....	17
(i) <b>Hours of Operation</b> .....	18
(j) <b>Ownership of Gaming Facilities and Gaming Activities</b> .....	18
(k) <b>Prohibited Activities</b> .....	18
(l) <b>Restriction on Minors</b> .....	18
(m) <b>Prohibition on Firearms</b> .....	19
(n) <b>Financing</b> .....	19
(o) <b>Record-Keeping</b> .....	19
(p) <b>Persons Excluded</b> .....	20
(q) <b>Operation as Part of a Network</b> .....	20
<b>SECTION 4. TRIBAL-STATE LICENSING AND CERTIFICATION REQUIREMENTS</b> .....	20
(a) <b>Gaming Facility Operator and Gaming Facility</b> .....	21
(b) <b>Gaming Employees</b> .....	21
(c) <b>Management Companies</b> .....	22
(d) <b>Manufacturers and Suppliers of Gaming Devices and Gaming Services</b> .....	22

<b>SECTION 5.</b>	<b>PROCEDURES FOR TRIBAL LICENSING AND STATE CERTIFICATION</b> .....	23
	(a) <b>Procedures for Tribal License Applications and State Certification</b> .....	23
	(b) <b>Background Investigation of Applicants</b> .....	23
	(c) <b>Notification to Applicant</b> .....	25
	(d) <b>Tribal Employment Standards</b> .....	25
	(e) <b>Notification of Change of Principals</b> .....	26
	(f) <b>Grounds for Revocation, Suspension or Denial of State Certification</b> .....	26
	(g) <b>Right to Hearing for Revocation, Suspension or Denial of State Certification</b> .....	30
	(h) <b>Issuance, Revocation, Suspension or Denial of License Issued by Tribal Gaming Office</b> .....	31
	(i) <b>Duration and Renewal of Tribal Licenses and State Certifications</b> .....	31
	(j) <b>Identification Cards</b> .....	32
	(k) <b>Exchange of Tribal Licensing and State Certification Information</b> .....	32
	(l) <b>Fees for State Certification</b> .....	32
	(m) <b>Fees for Tribal License</b> .....	34
	(n) <b>Temporary Certification</b> .....	34
	(o) <b>Summary Suspension of Tribal License or State Certification</b> .....	34
	(p) <b>State Administrative Process; Non-Tribal Members</b> .....	34
	(q) <b>Administrative Process; Tribal Members</b> .....	35
<b>SECTION 6.</b>	<b>TRIBAL REGULATION OF COMPACT PROVISIONS</b> .....	36
	(a) <b>Tribal Gaming Office</b> .....	36
	(b) <b>Gaming Facility Operator</b> .....	38
	(c) <b>Tribal Gaming Office Staff and Executive Director</b> .....	38
	(d) <b>Right of Inspection</b> .....	39
	(e) <b>Reporting of Violations</b> .....	40
	(f) <b>Investigations</b> .....	41
	(g) <b>Reporting to State Gaming Agency</b> .....	41
	(h) <b>Periodic Meetings</b> .....	41
<b>SECTION 7.</b>	<b>STATE MONITORING OF COMPACT PROVISIONS</b> .....	42
	(a) <b>Monitoring</b> .....	42
	(b) <b>State's Access to the Nation Gaming Records; Confidentiality Requirements</b> .....	43
	(c) <b>Retention of Records</b> .....	44

	(d) Nation's Access to State Records .....	45
	(e) Notification of Tribal Gaming Office .....	45
	(f) Cooperation with Tribal Gaming Office.....	45
<b>SECTION 8.</b>	<b>CIVIL AND CRIMINAL JURISDICTION.....</b>	<b>46</b>
<b>SECTION 9.</b>	<b>CROSS-DEPUTIZATION AGREEMENT .....</b>	<b>46</b>
<b>SECTION 10.</b>	<b>AUTHORIZATION TO ENACT RULES AND REGULATIONS .....</b>	<b>46</b>
	(a) State Gaming Agency Rules.....	46
	(b) Tribal Gaming Office Regulations .....	47
<b>SECTION 11.</b>	<b>OPERATIONAL REQUIREMENTS.....</b>	<b>47</b>
	(a) Additional Operational Requirements Applicable to Class III Gaming .....	47
	(b) Internal Controls .....	48
	(c) Annual Audit .....	49
<b>SECTION 12.</b>	<b>TRIBAL REIMBURSEMENT OF STATE GAMING AGENCY EXPENSES.....</b>	<b>49</b>
	(a) Compensation to the State Gaming Agency .....	49
	(b) Gaming Device Assessment .....	50
	(c) Statement of Expenses.....	51
	(d) Dispute Resolution .....	51
<b>SECTION 13.</b>	<b>PUBLIC HEALTH SAFETY AND WELFARE .....</b>	<b>51</b>
	(a) Compliance .....	51
	(b) Emergency Service Accessibility .....	52
	(c) Tort Remedies for Patrons .....	52
	(d) Liability for Damage to Persons and Property .....	52
<b>SECTION 14.</b>	<b>PATRON DISPUTES.....</b>	<b>52</b>
	(a) Refusal to Pay Winnings .....	53
	(b) Notice to Patrons .....	53
	(c) Effective Date of Decision.....	54
	(d) Review of Decision .....	54
<b>SECTION 15.</b>	<b>DISPUTE RESOLUTION .....</b>	<b>54</b>
	(a) Procedures and Provisions Subject to Dispute Resolution .....	54
	(b) Notice .....	55
	(c) Voluntary Resolution.....	55
	(d) Arbitration Procedures .....	55
	(e) Arbitration Costs .....	56

	(f) Arbitration Decision .....	57
	(g) Action to Enjoin a Class III Gaming Activity Conducted in Violation of the Agreement .....	57
<b>SECTION 16.</b>	<b>RESERVATION OF RIGHTS UNDER THE ACT</b> .....	<b>57</b>
	(a) Status of Class I and Class II Gaming .....	57
	(b) Prohibition on Taxation by the State .....	57
	(c) Preservation of Tribal Self-Government .....	58
	(d) Use of Net Revenues.....	58
	(e) Tax Documentation.....	58
<b>SECTION 17.</b>	<b>AMENDMENTS</b> .....	<b>58</b>
<b>SECTION 18.</b>	<b>SEVERABILITY</b> .....	<b>59</b>
<b>SECTION 19.</b>	<b>THIRD PARTY BENEFICIARIES</b> .....	<b>59</b>
<b>SECTION 20.</b>	<b>NOTICES</b> .....	<b>59</b>
<b>SECTION 21.</b>	<b>CALCULATION OF TIME</b> .....	<b>60</b>
<b>SECTION 22.</b>	<b>COUNTERPARTS</b> .....	<b>60</b>
<b>SECTION 23.</b>	<b>EFFECTIVE DATE AND DURATION</b> .....	<b>61</b>
	(a) Effective Date.....	61
	(b) Duration.....	61
	(c) Termination .....	63
	(d) Enforceability.....	63
<b>SECTION 24.</b>	<b>GOVERNING LAW</b> .....	<b>64</b>
<b>SECTION 25.</b>	<b>ENTIRE AGREEMENT</b> .....	<b>64</b>
<b>SECTION 26.</b>	<b>AUTHORITY TO EXECUTE</b> .....	<b>65</b>
	(a) Representation of Authority .....	65
	(b) Conditional Execution .....	65

## YAVAPAI-APACHE NATION-STATE OF ARIZONA GAMING COMPACT

This Compact is entered into by and between the Yavapai-Apache Nation ("Nation") and the State of Arizona ("State"), in accordance with the Indian Gaming Regulatory Act of 1988 for the purposes of governing Class III Gaming Activities conducted within the territorial jurisdiction of the Nation.

### DECLARATION OF POLICY AND PURPOSE

WHEREAS, the Nation and the State are separate sovereigns, and each recognizes and respects the laws and authority of the other sovereign; and

WHEREAS, the Congress of the United States has enacted into law the Indian Gaming Regulatory Act, Public Law 100-497, 25 U.S.C. §§ 2701-2721 and 18 U.S.C. §§ 1166-1168 (the "Act") which requires a Tribal-State Compact negotiated between a Nation and a State in order to conduct Class III Gaming Activities on the Indian Lands of a Community; and

WHEREAS, the purpose of the Act is to provide a statutory basis for the operation of gaming by Indian Communities as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments; and

WHEREAS, the Nation is a federally recognized Indian Nation and exercises governmental power over Indian Lands which are located within the exterior boundaries of the State, and within which the Gaming Activities regulated hereunder shall take place; and



WHEREAS, the Nation 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) ensure the fair and honest operation of such Gaming Activities; (b) maintain the integrity of all activities conducted in regard to such Gaming Activities; and (c) protect the public health, welfare and safety.

NOW, THEREFORE, in consideration of the mutual undertakings and agreements hereinafter set forth, the Nation and the State agree as follows:

#### **SECTION 1 TITLE**

This document shall be referred to as "Yavapai-Apache Nation-State of Arizona Gaming Compact."

#### **SECTION 2 DEFINITIONS**

For purposes of this Compact:

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

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

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

(d) "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).

(e) "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).

(f) "Class III Gaming" means all forms of gaming as defined in section 4(8) of the Act, 25 U.S.C. § 2703(8).

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

(h) "Compact" means the Yavapai-Apache Nation--State of Arizona Gaming Compact.

(i) "Distributor" means a person who distributes Class III Gaming Devices and/or component parts thereof.

(j) "Enrolled Tribal Member" means a person who has been enrolled in the Nation and whose name appears in the tribal membership roll and who meets the written criteria for membership.

(k) "Gaming Activity" means all forms of Class III Gaming owned and operated by the Nation and conducted within the Indian Lands of the Nation.

(l) "Gaming Device" or "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, currency, tokens or by the use of a credit, and which awards game credits, cash, tokens, replays or a receipt that can be redeemed by the player for any of the foregoing. Game play may be displayed by:

- (1) Video facsimile; or
- (2) 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.

(m) "Gaming Employee" means any person employed as a Primary Management Official or Key Employee of a Gaming Operation of the Nation and any person employed in the operation or management of a Gaming Operation, including, but not limited to, any person whose employment duties require or authorize access to restricted areas of a Gaming Facility not otherwise open to the public.

(n) "Gaming Facility" means the buildings or structures in which Class III Gaming, as authorized by this Compact, is conducted.

(o) "Gaming Facility Operator" means the Nation, an enterprise owned by the Nation, or such other entity of the Nation as the Nation may from time to time designate by written notice to the State as the wholly-owned tribal entity having full authority and responsibility for the operation and management of Class III Gaming Activities.

(p) "Gaming Operation" means any Gaming Activity conducted within any Gaming Facilities.

(q) "Gaming Ordinance" means any duly enacted ordinance of the Nation which governs the conduct of Gaming Activities within the Nation, all amendments thereto, and all regulations promulgated thereunder.

(r) "Gaming Services" means the providing of any goods or services, except for legal services, to the Nation 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, in an amount in excess of \$10,000 in any single month.

(s) "Indian Lands" means lands as defined in 25 U.S.C. § 2703(4)(A) and (B), subject to the provisions of 25 U.S.C. § 2719.

(t) "Interactive Terminal" or "Video Lottery Terminal" means an on-line computer or data-processing terminal capable of providing a source of both input and a video display output for the computer system to which it is connected, in which a player is playing against the algorithm of the terminal so that the player is playing directly against the terminal for immediate payment and is immediately rewarded or penalized based on the outcome, and which dispenses a paper receipt which can be redeemed by the player for the player's winnings.

(u) "Keno" means a house banking game in which a player selects from

one to twenty numbers on a card that contains the numbers one through eighty; the house randomly draws twenty numbers; players win if the numbers they select correspond to the numbers drawn by the house, and the house pays all winners, if any, and collects from all losers.

(v) "Key Employee" means a Gaming Employee who performs one or more of the following functions:

- (1) Counting room supervisor;
- (2) Chief of security;
- (3) Custodian of gaming supplies or cash;
- (4) Floor management; or
- (5) Custodian of Gaming Devices including persons with access to cash and accounting records within such devices; or,

if not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or, if not otherwise included, the four most highly compensated persons in the Gaming Operation.

(w) "License" means an approval issued by the Tribal Gaming Office to any natural person or entity to be involved in the Gaming Operation or in the providing of Gaming Services to the Nation.

(x) "Licensee" means any natural person or entity who has been licensed by the Tribal Gaming Office to be involved in the Gaming Operation or in the providing of Gaming Services to the Nation.

(y) "Lotto" is the generic name for a type of on-line lottery game operated by the State of Arizona in which a player selects a group of numbers from a larger field of numbers and wins by matching specific numbers subsequently drawn.

(z) "Management Contract" means a contract within the meaning of 25 U.S.C. §§ 2710(d)(9) and 2711.

(aa) "Management Contractor" means a natural person or entity that has entered into a Management Contract with the Nation or a Gaming Facility Operator which has been approved pursuant to 25 U.S.C. §§ 2710(d)(9) and 2711.

(bb) "Manufacturer" means a natural person or entity that manufactures Gaming Devices and/or component parts thereof as defined by this Compact for use or play in the Gaming Facilities

(cc) "Person" includes a corporation, company, partnership, firm, association or society, as well as a natural person. When "person" is used to designate the

violator or offender of any law, it includes a corporation, partnership or any association of persons.

(dd) "Player Activated Lottery Terminal" means an on-line computer system that is player-activated, but does not provide the player with interactive gaming, and utilizes the terminal for dispensing purposes only in which (i) the terminal algorithm is used for the random generation of numbers, (ii) the tickets dispensed by the terminal do not allow the player the means to play directly against the terminal, (iii) the player uses the dispensed ticket to participate in an off-site random drawing, and (iv) the player's ability to play against the terminal for immediate payment or reward is eliminated.

(ee) "Principal" means with respect to any Person:

- (1) Each of its officers and directors;
- (2) Each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer or general management;
- (3) Each of its owners or partners, if an unincorporated business;



- (4) Each of its shareholders who own more than ten (10) percent of the shares of the corporation, if a corporation;
- (5) Each person other than a banking institution who has provided financing for the entity constituting more than ten (10) percent of the total financing of the entity; and
- (6) Each of the beneficiaries, or trustees of a trust.

(ff) "Primary Management Official" means the person having management responsibilities under a Management Contract; or any person who has authority to hire and fire employees or to set up working policy for a Gaming Operation; or the chief financial officer or other person who has financial management responsibility for a Gaming Operation.

(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 certified are qualified to hold such certification in accordance with the provisions of this Compact.

(ii) "State Gaming Agency" means the agency of the State which the Governor may from time to time designate by written notice to the Nation as the single state agency which shall act on behalf of the State under this Compact.

(jj) "Tribal Gaming Office" means the department, agency or commission designated by action of the Tribal Legislative Council as the tribal entity which shall exercise the civil regulatory authority of the Nation Class III Gaming Activities within the Nation.

(kk) "Tribal Police Department" means the police force of the Nation established and maintained or contracted for by the Nation pursuant to the Nation's powers of self-government to carry out law enforcement within the Nation.

(ll) "Nation" means the Yavapai-Apache Nation, and its authorized officials, agents and representatives.

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

(a) **Authorized Class III Gaming Activities.** Subject to the terms and conditions of this Compact, the Nation is authorized to operate the following Gaming Activities: (1) Gaming Devices, (2) Keno, (3) lottery, (4) off-track pari-

mutuel wagering , (5) pari-mutuel wagering on horse racing, and (6) pari-mutuel wagering on dog racing.

(b) **Appendices Governing Gaming.**

- (1) The State and the Nation agree that the Nation shall only offer for play by the public at the Gaming Facilities Gaming Devices which comply with the technical standards as set forth in Appendix A.
- (2) The State and the Nation agree that the Nation shall comply with the security and surveillance requirements set forth in Appendix C to this Compact. Provided, however, that the provisions of Appendix C shall only be required with respect to Gaming Devices operated as part of a network pursuant to Section 3 (q) of this Compact.
- (3) The State and the Nation further agree that prior to the Nation conducting any Gaming Activities authorized in this Compact or any amendments thereto, other than Gaming Devices, the parties shall append to this Compact 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. A change in or the addition of an appendix shall not be considered an amendment to the Compact.

- (4) The Tribal Gaming Office shall require each licensed and certified Manufacturer and Distributor to verify under oath, on forms provided by the Tribal Gaming Office, that the Gaming Devices manufactured or distributed by them for use or play at the Gaming Facilities meet the requirements of this Section.
- (5) The Tribal Gaming Office 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.

(c) **Number of Gaming Devices and Gaming Facility Locations.** Subject to the terms and conditions of this Compact, the Nation is authorized to operate the following number of Gaming Devices, not to exceed 500 Gaming Devices per Gaming Facility location, based upon its Enrolled Tribal Member population:

(1) Number of Enrolled Tribal Members	Number of authorized Gaming Devices	Number of authorized Gaming Facility Locations
1 - 4,000	475	2
4,001 - 8,000	700	3
8,001 - 16,000	900	3
Above 16,000	1,400	4

(2) For purposes of determining the number of Gaming Devices for the Nation, enrollment shall be based upon the Nation's official tribal enrollment figures submitted to the Bureau of Indian Affairs.

(3) If during the term of this Compact any tribe in the State of Arizona is authorized to operate Gaming Devices in excess of the number of Gaming Devices provided for in Section 3 (c) (1) or is authorized to operate more than 500 Gaming Devices per Gaming Facility location, for any reason other than the allowance of additional Gaming Devices pursuant to Section 3(e)(2)(b) then the Tribe, regardless of the number of Enrolled Tribal Members, shall be entitled to operate Gaming Devices without regard to the limitations on the number of Gaming Devices or the number of Gaming Devices per location without the need to amend this Compact.

(d) **Number of Keno Games.** Subject to the terms and conditions of this Compact, the Nation is authorized to operate no more than two Keno games per reservation.

(e) **Additional Games.**

- (1) If during the term of this Compact, State law changes to permit types of Class III Gaming not authorized under this Compact, or if any other tribe is authorized to engage in types of Class III Gaming not authorized under this Compact, then the Nation, upon the effective date of such law or authorization, shall be authorized to operate such Class III Gaming, without the need to amend this Compact, subject to the provisions of Section 3(b).
  
- (2) If during the term of this Compact, State law changes to permit non-tribal entities or the State to operate (i) Class III Gaming Devices or Electronic Games of Chance, (ii) Keno, or (iii) Video Lottery Terminals that allow the play, or simulate the play, or are electronic facsimiles of any game other than the game of Lotto, then the Nation, upon the effective date of such law, shall be authorized to either:
  - (A) Operate a maximum of twelve (12) table games per

Gaming Facility location, without the need to amend this Compact, subject to the provisions of Section 3(b), or

- (B) As an alternative to paragraph (A) above, the Nation may notify the State of its intent to negotiate for gaming devices in excess of the number of devices set forth in this Section as is appropriate to the change in state law. If the State and the Nation fail to agree within one hundred eighty (180) days of the receipt of such notice, the dispute shall be resolved pursuant to Section 15(d).

The Nation shall select either paragraph (A) or paragraph (B) above, but not both.

- (3) The provisions of Section 3 (e) (1) and Section 3 (e) (2) shall not apply to the use of Player Activated Terminals, casino nights operated by non-profit or charitable organizations pursuant to and qualified under A.R.S. § 13-3302(B), or to Video Lottery Terminals or Interactive Terminals used by the State of Arizona for playing the game of Lotto.
- (4) The table games authorized in Section 3 (e) (2) shall be limited to twelve (12) blackjack or twelve (12) dice games or any combination of the two types of games per Gaming Facility

location.

(f) **Authorized Gaming Facility Locations.** The Nation is authorized to operate two (2) Gaming Facility locations based on current tribal enrollment figures. All Gaming Facility locations shall be located not less than one and one-half miles apart and shall be located on the Indian Lands of the Nation. The Nation shall notify the State Gaming Agency of the physical location of any Gaming Facility a minimum of thirty (30) days prior to commencing gaming authorized pursuant to this Compact at such location. Gaming on lands acquired after the enactment of the Act on October 17, 1988 shall be authorized only in accordance with 25 U.S.C. § 2719.

(g) **Forms of Payment.** All payment for wagers made on authorized forms of Class III Gaming conducted by the Nation on its Indian 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. Personal checks guaranteed by a third party check guarantee contractor shall be considered ATM transactions.

(h) **Wagering Limitations.** The maximum wager authorized for any single play of a Gaming Device is eight dollars (\$8.00).



(i) **Hours of Operation.** The Nation may establish by ordinance or regulation the permissible hours and days of operation of Gaming Activities; provided, however, that the Nation shall comply with all applicable State liquor laws at all Gaming Facilities.

(j) **Ownership of Gaming Facilities and Gaming Activities.** The Nation shall have the sole proprietary interest in the Gaming Facilities and Gaming Activities. This provision shall not be construed to prevent the Nation from granting security interests or other financial accommodations to secured parties, lenders or others, or to prevent the Nation from entering into true leases or financing lease arrangements.

(k) **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 the Nation's Indian Lands or within the Gaming Facilities.

(l) **Restriction on Minors.** No person under 18 years of age shall be permitted to place any wager, directly or indirectly, in any Gaming Activity. No person under 18 years of age shall be employed by a Gaming Facility Operator or by the Tribal Gaming Office. No person under 21 years of age shall be employed in the service of alcoholic beverages at any Gaming Facility, unless otherwise permitted

under State law.

(m) **Prohibition on Firearms.** The possession of firearms by any person within a Gaming Facility shall be strictly prohibited. This prohibition shall not apply to certified law enforcement officers authorized to be on the premises as well as any private security service retained to provide security at a Gaming Facility, or armored car services.

(n) **Financing.** Any third-party financing extended or guaranteed for the Gaming Operation and Gaming Facilities shall be disclosed to the State Gaming Agency and persons or entities extending such financing shall be required to be licensed by the Nation and annually certified by the State Gaming Agency, unless said person or entity is an agency of the United States or a lending institution licensed and regulated by the State or the United States.

(o) **Record-Keeping.** The Gaming Facility Operator 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 surveillance log recording all material surveillance activities in the monitoring room of the Gaming Facilities; and a security log recording all unusual occurrences investigated by the Tribal Gaming Office. Videotape recordings, made in accordance with Appendix C, shall be retained by the Gaming Facility Operator for

at least seven (7) days from the date of original recording.

(p) **Persons Excluded.** The Tribal Gaming Office 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 Nation. The Tribal Gaming Office shall employ its best efforts to exclude persons on such list from entry into its Gaming Facilities. The Tribal Gaming Office shall send a copy of its list on a monthly basis to the State Gaming Agency.

(q) **Operation as Part of a Network.** Gaming Devices authorized pursuant to this Compact may be operated to offer an aggregate prize or prizes as part of a network with the Gaming Devices of other Indian Communities located within the State of Arizona which have entered into Class III Gaming Compacts with the State of Arizona. Gaming Devices operated as part of a network shall conform to the Technical Standards set forth in Appendix A of this Compact, and shall comply with the security and surveillance requirements set forth in Appendix C of this Compact.

#### **SECTION 4. TRIBAL-STATE LICENSING AND CERTIFICATION**

##### **REQUIREMENTS**

(a) **Gaming Facility Operator and Gaming Facility.** The Gaming Facility

Operator, and all Gaming Facilities authorized by this Compact, shall be licensed by the Tribal Gaming Office in conformance with the requirements of this Compact prior to commencement of operation, and annually thereafter. The licensing of the Gaming Facility Operator shall include the licensing of each Principal, Primary Management Official and Key Employee. Prior to the initial commencement of the operation, the State Gaming Agency and Tribal Gaming Office shall verify compliance with this requirement 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 Facility Operator and Gaming Facilities comport with the terms of this Compact. If the State Gaming Agency determines that the Gaming Facility Operator and Gaming Facility do 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.** Every Gaming Employee shall be licensed by the Tribal Gaming Office and every employee of the Tribal Gaming Office shall be licensed by the Nation. Any Gaming Employee or Tribal Gaming Office employee that is a non-member of the Nation shall also be certified by the State Gaming Agency prior to commencement of employment, and annually thereafter, subject to

the temporary certification provided in Section 5(n). Enrolled members of the Nation are not required to be certified by the State as a condition of employment.

(c) **Management Contractor.** Any Management Contractor, including its Principals, engaged by the Nation to assist in the management or operation of the Gaming Facilities or Gaming Activities shall be subject to the licensing requirements of the Tribal Gaming Office, 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, and each person providing Gaming Services, within or without the Gaming Facility, shall be licensed by the Tribal Gaming Office and shall be certified by the State Gaming Agency prior to the sale or lease of any Gaming Devices or gaming services. The Nation shall provide to the State Gaming Agency a list of the names and addresses of all vendors providing gaming services on a periodic basis at the time of the meetings required pursuant to Section 6(h) of this Compact.

**SECTION 5. PROCEDURES FOR TRIBAL LICENSING AND STATE  
CERTIFICATION**

(a) **Procedures for Tribal License Applications and State Certification.**

Every Applicant for a Tribal gaming license and every Applicant for State Certification shall submit the completed Application, along with any required information, to both the Tribal Gaming Office and to the State Gaming Agency. Each Application for State Certification and for a tribal license shall be accompanied, as required, by the applicant's fingerprint card(s), current photograph, and the fee required by the State Gaming Agency or the Tribal Gaming Office.

(b) **Background Investigation of Applicants.**

- (1) Upon receipt of a completed Application and required fee for tribal licensing, the Tribal Gaming Office shall conduct the necessary background investigation to ensure the Applicant is qualified for tribal licensing. Upon completion of the necessary background investigation, the Tribal Gaming Office shall either issue a tribal license, or deny the Application. If the Application for licensing is denied, a statement setting forth the grounds for denial shall be forwarded to the State Gaming Agency together with all other documents relied upon by the Tribal Gaming Office to the extent allowed by law.
- (2) 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, or deny the Application. If the Application for certification is denied, a statement setting forth the grounds for denial shall be forwarded to the Tribal Gaming Office together with all other documentation relied upon by the State Gaming Agency to the extent allowed by State law. The State shall also conduct background investigations of all Applicants for tribal licenses and, consistent with Section 5(q), shall provide the Tribal Gaming Office with a written recommendation as to whether the Applicant should be licensed by the Tribal Gaming Office.

- (3) The Tribal Gaming Office and the State Gaming Agency shall retain the right to conduct additional background investigations of any person required to be licensed or certified at any time, while the license or certification remains valid.

(c) **Notification to Applicant.** The Applicant for State Certification shall be notified by the Tribal Gaming Office of the status of the Application within ten (10)

days after the Tribal Gaming Office receives the State Gaming Agency's recommendation for certification or denial.

(d) **Tribal Employment Standards**. Neither the issuance of a license by the Tribal Gaming Office nor the issuance of certification by the State Gaming Agency creates or implies a right of employment or continued employment. The Gaming Facility Operator shall not employ, and if already employed, shall terminate, a Gaming Employee if it is determined by the Tribal Gaming Office, that the Applicant:

- (1) has been convicted of any felony or gaming offense;
- (2) has knowingly and willfully provided materially important false statements or information or omitted materially important information on his or her employment Application for employment at the Gaming Facility or background questionnaire; or
- (3) is determined to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, and methods, and



activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto.

(e) **Notification of Change of Principals.** After an entity is licensed by the Tribal Gaming Office, or certified by the State Gaming Agency it shall file a report of each change of its Principals with the Tribal Gaming Office and the State Gaming Agency. Each new Principal shall file a complete Application within (30) days after appointment or election. The Tribal Gaming Office shall forward a copy of the Application to the State Gaming Agency. The entity's license shall remain valid unless the Tribal Gaming Office disapproves the change or denies the Application. The entity's certification shall remain valid unless the State 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 when an Applicant or holder of certification:

- (1) 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;

- (2) 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 Tribal Gaming Office, or the provisions of this Compact;
- (3) Has obtained a State Certification or tribal license by fraud, misrepresentation, concealment or through inadvertence or mistake;
- (4) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payment or reports to any tribal, state or United States governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of a Nation, any state of the United States, or of any crime, whether a felony or misdemeanor, involving any gaming activity or physical harm to individuals or moral turpitude;
- (5) Makes a misrepresentation of, or fails to disclose a material fact

to the State Gaming Agency or the Tribal Gaming Office;

- (6) Fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of this Section;
- (7) Is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under subsection (4) 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;
- (8) Has had a gaming license issued by any state or tribe in the United States revoked or denied;
- (9) Has demonstrated a willful disregard for compliance with gaming regulatory authority in any jurisdiction, including suspension, revocation, denial of Application or forfeiture of license;
- (10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal laws of

any 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;

- (11) Is a career offender or a member of a career offender organization or an associate of a career offender or career offender organization 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 shall be defined as any person whose behavior is pursued in an occupational manner or context for the purposes of economic gain utilizing such methods as are deemed criminal violations of tribal law, federal law or the laws and the public policy of this State. A career offender organization shall be defined as any group of persons who operate together as career offenders;

- (12) Is a person whose prior activities, criminal record, if any, reputation, habits and associations pose a threat to the public interest of the Nation 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;  
or
- (13) Fails to provide any information requested by the State Gaming Agency within 14 days of the request for the information.

(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, Title 41, Chapter 6, Arizona Revised Statutes or the State Gaming Agency administrative rules; provided, the State, after consultation with the Tribal Gaming Office, may defer such actions to the Tribal Gaming Office. Nothing herein shall prevent the Tribal Gaming Office from invoking its disciplinary procedures.

(h) **Issuance, Revocation, Suspension or Denial of License Issued by Tribal Gaming Office.** The issuance, revocation, suspension or denial of any tribal gaming license by the Nation or the Tribal Gaming Office, including the terms and conditions thereof, shall be in accordance with the Nation's ordinances and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of this Section. The Tribal Gaming Office shall not be required to grant an Application for a license even if the State Gaming Agency issues a State Certification.

(i) **Duration and Renewal of Tribal Licenses and State Certifications.** Any tribal license or State Certification shall be effective for one (1) year from the date of issuance; provided, that a licensed or certified employee or person that has applied for renewal may continue to be employed or engaged under the expired license or State Certification until action is taken on the renewal Application by the Tribal Gaming Office or the State Gaming Agency. Applicants for renewal of a 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 Tribal Gaming Office or the State Gaming Agency. Additional background investigations shall not be required of Applicants for renewal unless new information concerning the Applicant's continuing eligibility for a license or a State Certification is discovered by either the Tribal Gaming Office or the State Gaming

Agency.

(j) **Identification Cards.** The Gaming Facility Operator shall require all Gaming Employees to wear in plain view identification cards issued by the Tribal Gaming Office which include photograph, first and last name and an identification number unique to the individual tribal license and which shall include a tribal seal or signature, and a date of expiration.

(k) **Exchange of Tribal Licensing and State Certification Information.** In an effort to ensure a qualified work force in the Class III Gaming authorized by this Compact, upon completion of any administrative action against a holder of a tribal license or State Certification, the final disposition shall be forwarded to either the Tribal Gaming Office or the State Gaming Agency, as appropriate, and maintained as part of both agencies' permanent records and which may be shared with other federal, state, and tribal agencies.

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

(1) Gaming Employee and provider of Gaming Services	
Initial Certification	\$ 150
Renewal	\$ 75

(2) Management Contractors and/or Financiers

Initial Certification \$1500

Renewal \$ 500

(3) Manufacturers and Suppliers of Gaming Devices

Initial Certification \$1500

Renewal \$ 500

A State Certification shall be valid for any Gaming Operation in Arizona and no additional fee shall be required. In the event actual costs incurred by the State Gaming Agency to investigate the background of an Applicant exceed the above fees, those costs shall 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 contractor or financier. Notwithstanding any other provision of this Compact, the State Gaming Agency may modify any of the above fees by giving the Nation 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 Tribal License. The fees for tribal licenses shall be set by the



Nation.

(n) **Temporary Certification.** Within twenty (20) days of the receipt of a completed Application for State Certification, and upon request of the Tribal Gaming Office the State Gaming Agency shall issue a temporary certification to the Applicant unless the background investigation undertaken by the State Gaming Agency 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. 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 Tribal License or State Certification.** The Tribal Gaming Office, pursuant to the laws and regulations of the Nation, and the State Gaming Agency, pursuant to the laws and regulations of the State, may summarily suspend any respective tribal 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-Tribal Members.** Any non-tribal member Applicant for State Certification agrees by making such Application to be subject to State jurisdiction to the extent necessary to determine the Applicant's

qualification to hold such certification, including all necessary administrative procedures, hearings and appeals pursuant to the Administrative Procedures Act, Title 41, Chapter 6, Arizona Revised Statutes and the administrative rules of the State Gaming Agency.

(q) **Administrative Process: Tribal Members.**

- (1) Any member of the Nation applying for licensure by the Tribal Gaming Office acknowledges that by making such Application, the State Gaming Agency, as set forth herein, may be heard concerning the Applicant's qualifications to hold such license. If the State recommends revocation, suspension, or denial of a license, and the Tribal Gaming Office revokes, suspends, or denies the license based on the State Gaming Agency's recommendation, the Nation member may appeal that action to the Nation, to the extent any such right exists.
  
- (2) If the Tribal Gaming Office takes any action with respect to a license of a Nation member despite a State recommendation to the contrary, the Tribal Gaming Office shall afford the State an opportunity for a hearing before an appropriate Nation forum to contest the Tribal Gaming Office licensing decision. The decision of the Nation forum shall be final.

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

## **SECTION 6. TRIBAL REGULATION OF COMPACT PROVISIONS**

(a) **Tribal Gaming Office.** The Tribal Gaming Office has the responsibility for the regulation of all Gaming Activities pursuant to the Nation's Gaming Ordinance and for the enforcement of this Compact on behalf of the Nation. The State Gaming Agency has the regulatory responsibility over Gaming Activities which is specifically set out in this Compact.

- (1) The Nation's draft Gaming Ordinance is attached as Appendix B of this Compact. The Nation shall adopt this Ordinance prior to conducting any gaming activity under this Compact.
- (2) The Nation shall notify the State Gaming Agency of its intent to amend or repeal the Ordinance set forth in Appendix B, or to adopt regulations and shall provide a copy of any change or

modification in Appendix B to the State Gaming Agency.

- (3) The Nation's Gaming Ordinance shall provide for the detention of persons who may be involved in illegal acts for the purpose of notifying appropriate law enforcement authorities.
- (4) The Tribal Gaming Office shall require the Gaming Facility Operator 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 required by this Compact to be under surveillance;
- (5) The Tribal Gaming Office shall have the responsibility and authority to investigate alleged violations of this Compact, the Nation's Gaming Ordinance, and other applicable laws and to take appropriate disciplinary action against the Gaming Facility Operator or the holder of a license for a violation or to institute appropriate legal action for enforcement or both; and to confiscate or shut down any Gaming Device or other equipment or gaming supplies failing to conform to any

required standards.

(b) **Gaming Facility Operator.** The Nation shall require the Gaming Facility Operator to have the responsibility for the on-site operation, management, and security of the Gaming Facility. The Nation shall require the Gaming Facility Operator to adopt reasonable procedures designed to provide for the following:

- (1) The physical safety of its employees;
- (2) The physical safety of patrons in the Gaming Facility;
- (3) The physical safeguarding of assets transported to and from the Gaming Facility and cashier's cage department; and
- (4) The protection of the patrons' and the Gaming Operation's property from illegal activity.

(c) **Tribal Gaming Office Staff and Executive Director.** The Nation has sole authority to determine the composition of the Tribal Gaming Office, however, no employee of a Gaming Facility Operator shall be employed by or be a member of the Tribal Gaming Office. The Nation shall designate an Executive Director of the Tribal Gaming Office. The Executive Director shall have overall responsibility for

the administrative functions of the Tribal Gaming Office. The Executive Director shall serve as the formal liaison to the person holding the similarly titled position with the State Gaming Agency.

(d) **Right of Inspection.**

- (1) The Tribal Gaming Office shall have the right to inspect any Gaming Facility at any time and shall have immediate access to any and all areas of a Gaming Facility for the purpose of ensuring compliance with the provisions of this Compact and the Nation's Gaming Ordinance.
- (2) The Tribal Gaming Office shall employ inspectors or agents who shall act under the authority of the Tribal Gaming Office. Said inspectors shall be independent of the Gaming Facility Operator and any management contractor, and shall be supervised and accountable only to the Tribal Gaming Office. Said inspectors shall have the right to inspect any Gaming Facility at any time and shall have immediate access to any and all areas of the Gaming Facility. An inspector shall be present in the Gaming Facilities during all hours of gaming operation.

(e) **Reporting of Violations.** The Gaming Facility Operator, or the Tribal Gaming Office inspector, as applicable, shall report unusual occurrences and all violations or suspected violations of this Compact, or of the Nation's Gaming Ordinance by an employee or agent of the Gaming Facility Operator, or any person on the premises whether or not associated with Gaming Activities, to the Tribal Gaming Office. Regardless of the identity of the reporter or to whom the report is made, the Tribal Gaming Office shall make a written record of any unusual occurrences, violations or suspected violations, without regard to materiality. Each entry shall be assigned a sequential number and shall include, at a minimum, the following information which shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page is sequentially numbered:

- (1) The assigned number;
- (2) The date;
- (3) The time;
- (4) The nature of the incident;
- (5) The person(s) involved in the incident; and
- (6) The name of the security department or Tribal Gaming Office employee assigned to investigate.

(f) **Investigations.** The Tribal Gaming Office shall investigate any reported violation of the Compact provisions or the Gaming Ordinance and shall require the

Gaming Facility Operator to correct the violation upon such terms and conditions as the Tribal Gaming Office determines are necessary and proper under the provisions of the Nation's Gaming Ordinance.

(g) **Reporting to State Gaming Agency.** Within forty-eight (48) hours of the time a violation or suspected violation was reported, the Tribal Gaming Office shall notify the State Gaming Agency. Upon completion of any investigation of a violation or suspected violation, the Tribal Gaming Office shall provide copies of its investigative report to the State Gaming Agency, if such disclosure will not compromise on-going law enforcement investigations or activities.

(h) **Periodic Meetings.** In order to develop and foster a positive and effective relationship in the enforcement of the provisions of this Compact, representatives of the Tribal Gaming Office and the State Gaming Agency shall meet, not less than on a quarterly basis, 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 Tribal Gaming Office. The State Gaming Agency, prior to or during such meetings, shall disclose to the Tribal Gaming Office 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 on-going law enforcement investigations or activities. Following the first year of this Compact, the Tribal Gaming Office and the



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 MONITORING OF COMPACT PROVISIONS**

(a) **Monitoring.** The State Gaming Agency shall, pursuant to the provisions of this Compact, have the authority to monitor the Nation's Gaming Operation to ensure that the operation is conducted in compliance with the provisions of this Compact. Such monitoring shall include the authority to investigate suspected violations of the Compact. The monitoring shall be conducted in accordance with the following requirements:

- (1) Agents of the State Gaming Agency shall have free and unrestricted access to all public areas of a Gaming Facility during operating hours without giving prior notice to the Gaming Facility Operator;
- (2) The monitoring activities of these agents shall be conducted in a manner which does not unduly interfere with the normal functioning of the Nation's Gaming Operation;
- (3) Agents of the State Gaming Agency shall be entitled to enter

the non-public areas of any Gaming Facility licensed by the Nation after such state agents have:

(A) Provided proper identification to the senior supervisory employee of the Gaming Facility Operator on duty and to the Tribal Gaming Office inspector, who at his discretion, may witness the monitoring or investigation of non-public areas of the Gaming Facilities by the State Gaming Agency, and

(B) Given advance notice to the Tribal Gaming Office. Such advance notification shall not be required if such notification will compromise an ongoing law enforcement investigation or activity.

(b) **State's Access to the Nation's Gaming Records: Confidentiality Requirements.** Agents of the State Gaming Agency shall, upon twenty-four (24) hours advance notification to the Tribal Gaming Office, have the right to inspect and copy during normal business hours, all records maintained by the Gaming Facility Operator. Such advance notification shall not be required if such notification will compromise an ongoing law enforcement investigation or activity. However, all records, and copies thereof, shall remain the property of the

Community irrespective of their location. All such records, and the information derived from such records, are confidential and proprietary information of the Nation. Access to all records, or documents of the Gaming Facility Operator, or copies thereof in the possession of the State shall be limited solely to employees of the State Gaming Agency and the Tribal Gaming Office and the State shall not disclose such records and documents to other persons within the state government or to third parties, provided however that disclosure shall be authorized when made pursuant to an order of a court of competent jurisdiction, or when disclosed to a federal, state or tribal regulatory or criminal justice agency pursuant to a regulatory or criminal justice investigation under this Section, or when disclosed pursuant to Section 5 (k). The State Gaming Agency shall immediately notify the Tribal Gaming Office of the receipt of any request for access to any such records from any person outside the State Gaming Agency unless ordered otherwise by a court of competent jurisdiction.

(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 Nation shall require that all books and records relating to authorized Gaming Activities, including the records of any management contractor, the Gaming Facility Operator and the Tribal Gaming Office are separately maintained in order to facilitate auditing of these books and records to ensure compliance with this Compact. All such 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 Accounts.

(d) Nation's Access to State Records. The Nation shall have the right to inspect and copy all records received by the State Gaming Agency concerning the Nation's authorized Class III Gaming if such disclosure will not compromise ongoing law enforcement investigations or activities, and would not violate applicable state and federal law.

(e) Notification to Tribal Gaming Office. At the completion of any inspection or investigation conducted by the State Gaming Agency, copies of an investigative report shall be immediately forwarded by the State Gaming Agency to the Tribal Gaming Office. Within forty-eight (48) hours of the receipt of any report of a violation of this Compact, the Nation's Gaming Ordinance, or the Act, the State Gaming Agency shall forward notification of such report of a violation to the Tribal Gaming Office.

(f) Cooperation with Tribal Gaming Office. The State Gaming Agency shall meet periodically, consistent with Section 6(h), with the Tribal Gaming Office and cooperate fully in all matters relating to the enforcement of the provisions of this Compact and immediately notify the Tribal Gaming Office of any activity suspected or occurring whether within the Gaming Facilities or not, which

adversely affects State, Nation or public health, safety, or welfare interests relating to the Gaming Facility and Gaming Facility Operator, if such disclosure will not compromise an ongoing law enforcement investigation or activity.

#### **SECTION 8. CIVIL AND CRIMINAL JURISDICTION**

Nothing in this Compact is intended to change, revise or modify the civil and criminal jurisdiction of the Nation or of the State. Nothing contained herein shall be deemed to modify or limit existing federal jurisdiction over Indians and the Gaming Operations authorized under this Compact.

#### **SECTION 9. CROSS-DEPUTIZATION AGREEMENT**

The State and the Nation, to the extent permitted by law, may agree to enter into such cross-deputization agreements as necessary to facilitate cooperation between State and Tribal law enforcement personnel.

#### **SECTION 10. AUTHORIZATION TO ENACT RULES AND REGULATIONS**

(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. The rules adopted by the State

Gaming Agency shall be consistent with the provisions and appendices of this Compact.

(b) **Tribal Gaming Office Regulations.** The Tribal Gaming Office 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 Tribal Gaming Operation shall be operated pursuant to an internal control system approved by the Tribal Gaming Office. The internal control system shall be designed to reasonably assure that:

- (1) Assets are safeguarded;
- (2) Financial records are accurate and reliable;
- (3) Transactions are performed in accordance with the Nation's general or specific authorization;
- (4) Access to assets is permitted only in accordance with the Nation's specific authorization;

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

(6) 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:

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

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

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

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

(c) **Annual Audit.** The Gaming Operation shall be audited, not less than annually, by an independent certified public accountant licensed by the State. The Gaming Facility Operator shall notify the State Gaming Agency of its fiscal year end. Such audit shall be at the expense of the Gaming Facility Operator. The financial statement and audit shall be prepared in accordance with the auditing standards published by the American Institute of Certified Public Accountants and shall be submitted to the Tribal Gaming Office and the State Gaming Agency within one hundred twenty (120) days of the close of the fiscal year of the Gaming Operation. All auditors shall preferably have experience in Class III Gaming matters conducted pursuant to the Act. In addition, the State Gaming Agency shall be authorized to confer with the independent certified public accountant retained by the Nation during the preparation of the audit and the preparation of the financial statement. The Tribal Gaming Office shall be notified of and provided the opportunity to participate in and attend any such conference.

## **SECTION 12. TRIBAL REIMBURSEMENT OF STATE GAMING AGENCY**

### **EXPENSES**

(a) **Compensation to the State Gaming Agency.** The Nation agrees to pay the State Gaming Agency the necessary costs incurred by the State as a result of the State's performance of its rights or duties under the terms of this Compact.



(b) Gaming Device Assessment. The State and the Nation have determined that during the initial two (2) years of this Compact, an annual fee of five hundred dollars (\$500) per Gaming Device shall be paid annually to the State Gaming Agency for necessary costs incurred for State regulation and enforcement duties. After the initial two (2) years, the regulatory assessment per Gaming Device shall be renegotiated by the Nation and the State based upon actual and projected costs and expenses incurred for State regulation and enforcement duties pursuant to this Compact. The assessment shall be payable in equal quarterly installments, the first of which shall be payable within fifteen (15) days of receipt by the Tribal Gaming Office 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 first 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 Nation shall be billed within thirty (30) days, its share of sums necessary to eliminate any such deficit. Monies in excess of the Nation's share of costs and expenses actually incurred by the State Gaming Agency shall be returned to the Nation annually thirty (30) days following the close of the State's fiscal year, or the overpayment shall be credited to the Nation for the succeeding year at the Nation'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 Nation within thirty (30) days from the expiration date of this Compact.

(c) **Statement of Expenses.** The State Gaming Agency shall submit to the Nation 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 Nation receives a letter of compliance pursuant to Section 4(a) of this Compact.

(d) **Dispute 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 Nation shall comply with standards governing health and safety which shall apply to the Gaming Facilities and which shall be no less stringent than the standards generally imposed by the Uniform Laws Annotated Codes covering the following:

- (1) The Uniform Building Code (1988 edition);
- (2) The Uniform Mechanical Code (1988 edition);
- (3) The Uniform Plumbing Code (1988 edition);
- (4) 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 Nation shall require the Gaming Facility Operator to make provisions for adequate emergency accessibility and service.

(c) **Tort Remedies for Patrons.** The Nation shall establish procedures for the disposition of tort claims arising from alleged injuries to patrons of its Gaming Facilities, which procedures may be analogous to the remedial system available for similar claims arising against the State. The Nation shall not be deemed to have waived its sovereign immunity from suit with respect to such claims by establishing such procedures or by any provision of this Compact.

(d) **Liability for Damage to Persons and Property.** During the term of this Compact, the Nation shall maintain public liability insurance which provides no less than one million dollars (\$1,000,000) for personal injury and property damage. The Nation's insurance policy shall include an endorsement providing that the insurer 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 Facility Operator refuses payment of alleged winnings to a patron, and the Gaming Facility Operator and the patron are unable to resolve the dispute to the satisfaction of the patron and the dispute involves:

(1) At least five hundred dollars (\$500), the Gaming Facility Operator shall immediately notify the Tribal Gaming Office. The Tribal Gaming Office shall conduct whatever investigation it deems necessary and shall determine whether payment should be made; or

(2) Less than five hundred dollars (\$500), the Gaming Facility Operator shall inform the patron of his or her right to request that the Tribal Gaming Office conduct an investigation. Upon request of the patron, the Tribal Gaming Office shall conduct whatever investigation it deems necessary and shall determine whether payment should be made.

(b) **Notice to Patrons.** The Tribal Gaming Office shall mail written notice by certified mail, return receipt requested, to the Gaming Facility Operator and the patron of the decision resolving the dispute within thirty (30) days after the date that the Tribal Gaming Office first receives notification from the Gaming Facility.

Operator or a request to conduct an investigation from the patron.

(c) **Effective Date of Decision.** The decision of the Tribal Gaming Office 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, the aggrieved party may file a petition with the Tribal Gaming Office requesting a review of the decision. The Tribal Gaming Office may set a hearing on the matter or may make a decision based solely upon the prior decision and other documentation provided to it by the patron and the Gaming Facility Operator. The Tribal Gaming Office 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 Tribal Gaming Office shall be final and binding upon the patron and the Gaming Facility Operator and shall not be subject to judicial review, dispute resolution or other legal action.

## **SECTION 15. DISPUTE RESOLUTION**

(a) **Procedures and Provisions Subject to Dispute Resolution.** 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. Thereafter, if the Nation

or the State believes that the other party has failed to comply with the requirements of the foregoing Sections and appendices, or if any dispute arises as to the proper interpretation thereof, the procedures set forth in this Section shall apply.

(b) **Notice.** The party asserting noncompliance or seeking an interpretation shall serve written notice on the other party. The notice shall identify the specific Compact provision alleged to have been violated or in dispute and shall specify in detail the factual basis for the alleged noncompliance or the proffered interpretation of the Compact provision for which interpretation is sought.

(c) **Voluntary Resolution.** Representatives of the Nation and the State shall meet within ten (10) days following receipt of the notice in an effort to resolve the dispute.

(d) **Arbitration Procedures.** 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 in Arizona or such other place as the parties may agree as follows:

- (1) The parties shall attempt to agree upon one arbitrator with expertise in the subject matter of the dispute.

(2) 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.

(3) 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.

(e) **Arbitration Costs.** The cost of arbitration shall be borne equally by the parties, with one-half of the expenses charged to the Nation and one-half charged to the 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.

(f) **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 breach of the Compact.

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

#### **SECTION 16. RESERVATION OF RIGHTS UNDER THE ACT**

(a) **Status of Class I and Class II Gaming.** This Compact shall not apply to any Class I or Class II Gaming whether conducted within or without the Gaming Facilities, and shall not confer upon the State any jurisdiction or other authority over such Class I or Class II gaming conducted by the Nation on Indian Lands.

(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 Nation or any Gaming Operation of the Nation, except for the payment of expenses as provided in Section



12 of this Compact.

(c) **Preservation of Tribal Self-Government.** Nothing in this Compact shall divest or diminish the sovereign governmental authority of either the Nation or the State.

(d) **Use of Net Revenues.** The net revenues derived from Class III Gaming authorized under this Compact shall be used by the Nation for the purposes permitted under the Act.

(e) **Tax Documentation.** For purposes of cooperation, the Tribal Gaming Office shall obtain from the Gaming Facility Operator and provide to the State Gaming Agency a copy of the documentation the Gaming Facility Operator submits to the Internal Revenue Service indicating gaming winnings of patrons of the Gaming Operation.

## **SECTION 17. AMENDMENTS**

Any amendment to this Compact shall be in writing and signed by both parties. The terms and conditions of this Compact shall remain in effect until amended, modified, or terminated.

**SECTION 18. SEVERABILITY**

Each provision of this Compact shall stand separate and independent of every other provision. If a court of competent jurisdiction finds any provision of this Compact to be invalid or unenforceable, it is the intent of the parties that the remaining provisions shall remain in full force and effect to the extent possible.

**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 Nation and the State.

**SECTION 20. NOTICES**

All notices required or authorized to be served under this Compact shall be served by certified mail (return receipt requested), commercial overnight courier service or by personal delivery, at the following addresses or such other address as either party shall hereafter inform the other by written notice:

State:           The State of Arizona  
                  State Gaming Agency  
                  800 West Washington, 5th Floor  
                  Phoenix, Arizona 85007

Nation :        Attn: Chairman  
                  P. O. Box 1188

**SECTION 21. CALCULATION OF TIME**

In computing any period of time prescribed or allowed by this Compact, 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 Nation'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 Nation's laws, State law or federal law shall be excluded from the computation period.

**SECTION 22. COUNTERPARTS**

This Compact is executed in three original documents; one shall be maintained by the Chairman of the Nation, one shall be maintained by the Governor of the State and the third shall be sent to the Secretary of the Interior for approval.

**SECTION 23. EFFECTIVE DATE AND DURATION**

(a) **Conditional Effectiveness; Effective Date.**

- (1) This Compact shall not be effective, and no rights, duties or obligations of the State or the Nation shall arise thereunder unless and until the execution of substantially similar Compacts by the State and all of the following: the Tohono O'odham Nation, the White Mountain Apache Tribe, the Pascua Yaqui Tribe of Arizona, the Yavapai-Prescott Indian Tribe, the Cocopah Indian Tribe, the Fort McDowell Mohave-Apache Indian Nation and the Ak-Chin Indian Community shall have occurred within four (4) days of the date upon which the first of the foregoing and the State execute a Compact. The State and the Nation agree to execute an acknowledgement that this condition has been satisfied after all such Compacts have been executed.

- (2) Subject to the provisions of Section 23 (a)(1) above, this Compact shall become effective after it is executed by both the Governor of the State and the Chairman of the Tribe, it is

approved by the Secretary of the Interior, and notice of approval is published in the Federal Register pursuant to the Act.

(b) **Duration.**

- (1) This Compact shall be in effect for a term of ten (10) years after the effective date.
- (2) The duration of this Compact shall thereafter be automatically extended for terms of five (5) years, unless either party serves written notice of nonrenewal on the other party not less than one hundred eighty (180) days prior to the expiration of the original term of this Compact or any extension thereof.
- (3) In the event written notice of nonrenewal is given by either party as set forth in this Section, the Nation shall cease all Class III Gaming under this Compact upon its expiration

date, unless extended by mutual agreement, or upon the date the procedures in subsection (5) of this Section are concluded and a successor Compact, if any, is not in effect.

(4) The Nation may operate Class III Gaming only while this Compact, or any extension thereof under this Section, is in effect.

(5) In the event that written notice of nonrenewal of this Compact is given by one of the parties under subsection (2) of this Section above, the Nation may, pursuant to the procedures of the Act, request the State to enter into negotiations for a successor Compact governing the conduct of Class III Gaming Activities to become effective following the expiration of this Compact. Thereafter the State shall negotiate with the Nation in good faith concerning the terms of a successor Compact pursuant to 25 U.S.C. § 2710(d)(3)(A). If a successor compact is not concluded by the expiration date of this Compact, or any extension thereof under subsection (2) or (3), the Nation shall do one of the following:

(A) Immediately cease all Class III Gaming upon the

expiration of this Compact, or any extension thereof under subsection (2) of this Section; or

(B) Commence an action in the United States District Court pursuant to 25 U.S.C. § 2710 (d)(7) in which event this Compact shall remain in effect until the procedures set forth in 25 U.S.C. § 2710(d)(7) are exhausted.

(c) **Termination.** This Compact may be voluntarily terminated by mutual agreement of the parties, or by a duly adopted ordinance or resolution of the Nation revoking the authority to conduct Class III Gaming upon its lands, as provided for in 25 U.S.C. § 2710(d)(2)(D).

(d) **Enforceability.**

(1) The State and the Nation voluntarily enter into this Compact pursuant to 25 U.S.C. § 2710 (d)(3)(B). Furthermore, the State abandons any argument it may have had under the Tenth Amendment to the United States Constitution that its execution of this Compact was coerced.

(2) In the event that federal law changes to prohibit the gaming

authorized by this Compact, the State may seek, in a court of competent jurisdiction, a declaration that this Compact is invalid.

- (3) This Compact shall remain valid and enforceable against the State and the Nation unless or until it is held to be invalid in a final non-appealable judgment or order of a court of competent jurisdiction.

**SECTION 24. GOVERNING LAW.**

This Compact shall be governed by and construed in accordance with the applicable laws of the United States, and the Nation and 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 is duly authorized and has the authority



to execute this agreement on behalf of the party for whom he is signing and that this Compact is a contractual agreement which is valid, enforceable and binding upon the parties.

STATE OF ARIZONA

YAVAPAI-APACHE NATION

  
Fife Symington, Governor

  
Theodore Smith, Chairman

DATE: \_\_\_\_\_

DATE: June 24, 1993

APPROVED:

By Ada E. Deer  
ASSISTANT SECRETARY - INDIAN AFFAIRS

DATE: 8-11-93

**APPENDIX A**  
**TRIBAL/STATE COMPACT BETWEEN**  
**THE YAVAPAI-APACHE NATION**  
**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, currency, tokens or by the use of a credit and which awards game credits, cash or tokens or prizes of value, replays or a receipt that can be redeemed by the player for any of the foregoing. 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 payout, if any.
- (e) "Progressive Jackpot" means an electronic game of chance payoff that increases automatically over time or as the machine or another is played.
- (f) "Base Amount" means the amount of the progressive jackpot initially offered before it increases.
- (g) "Incremental amount" means the difference between the amount of a progressive jackpot and its base amount.

### **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 to the Tribe, and

- (b) The electronic game of chance, or 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, Montana, 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 test 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 Tribal Gaming Office 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 Tribal Gaming Office, 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 Office agree that a modification is warranted, the documentation shall be forwarded to the gaming test laboratory. The State Gaming Agency and the Tribal Gaming Office 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 Erasable Programmable Read Only Memory ("EPROM") chip's identification number;

- (vii) The location in which the game will be placed, and
- (viii) The date of installation.
- (b) Upon installation of an electronic game of chance, the Tribe shall provide in writing to the State Gaming Agency the unique identification number assigned by the Tribe under Section 9(o), below.
- (c) **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 Gaming Device.
- (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 or 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 the Tribe that provides permanent sequential tracking, 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 of the machine;
  - (D) Time of day in twenty-four hour format showing hours and minutes;
  - (E) Date;
  - (F) Machine serial number;
  - (G) Terminal number;
  - (H) Number of times the microprocessor compartment has been opened i switches have been installed for this purpose;
  - (I) Number of times the cash compartment has been opened;
  - (J) The number of times the cabinet has been opened; and
- (iii) Electronic games of chance utilizing coin drop hoppers are permitted.
- (iv) The term "error conditions" as used in this subparagraph includes:
- (A) Open cabinet doors and cash compartment doors.
  - (B) Coin-in tilt and reverse coin-in tilt.

(C) Hopper empty, hopper jam, or hopper runaway/malfunction.

- (h) **Repairs and Service.** A licensed and certified agent or employee of the Tribe may open the gaming cabinet to effect repairs and service, but shall do so only in the presence of an authorized agent or inspector of the Tribal Gaming Office or after notifying the closed circuit television surveillance room. The Tribe shall make available upon request a licensed and certified agent or employee of the Tribe to assist with the removal and replacement of EPROM's for the compliance testing of electronic games of chance by the State Gaming Agency.
- (i) **Microprocessor Compartment.** The compartment containing the microprocessor-controlled device within the cabinet of the electronic game of chance must be locked and sealed and unlocked by a different key than the key which unlocks the cabinet or cash compartment. The compartment may only be opened in the presence of an authorized agent of the Tribal Gaming Office. The key to the microprocessor compartment shall be kept by the Tribe in a secure place.
- (j) **Access to Cabinet.** A log shall be maintained disclosing the identity of all persons accessing the gaming device cabinet or microprocessor compartment, including the date, time and reason for entry.
- (k) **Secure Electronic Components.**
  - (i) Logic Boards and EPROM chips and other logic control components shall be located in a separate compartment within the electronic game of chance and that compartment shall be sealed and locked with a different key or combination than that used for the main cabinet door and cash compartment.
  - (ii) Upon installation, the Tribe shall affix or cause to be affixed to the EPROM chip of each electronic game of chance a strip of security tape, capable of evidencing the removal of the EPROM chip if the EPROM chip is removed from the circuit board. The security tape shall be secured and available only to the authorized personnel of the Tribal Gaming Office. The Tribe and the State Gaming Agency shall maintain accurate and complete records of the identification number of each EPROM chip installed in each electronic game of chance.
- (l) **Secure Cash Compartment.** The coin and currency compartment shall be locked separately from the main cabinet area, and secured with a different key or combination than used for the main cabinet door, except that a separate cash compartment shall not be required for coins necessary to pay prizes in a machine which pays prizes through a drop hopper as permitted in this Section. Cash compartment keys must be kept in a secure location. Except as provided in this section, the compartment in which the inserted coins and bills are deposited shall be locked at all times. An employee or an official of the Tribe may open the cash compartment in the gaming cabinet for the purpose of collecting the accumulated



cash. The person collecting the accumulated cash shall record the amount collected.

- (m) **Hardware Switches or Hardware Modification of Pay Tables or Payouts Prohibited.** No hardware switches (DIP Switches) may be installed on an electronic game of chance or on any associated equipment which may alter the pay tables or payout percentages in the operation of the gaming device. Hardware switches may be installed to control the machine's sound, screen color and game speed.
- (n) **Operation as Part of a Network.** The hardware requirements of this Section shall not be construed to prevent the operation of the electronic game of chance as part of a network within the Tribal Gaming Facility, or between the Gaming Facilities on Tribal Lands, with an aggregate prize or prizes; provided that an electronic game of chance capable of bi-directional communication with external associated equipment must utilize communication protocol which insures that erroneous data or signals will not adversely affect the operation of the game. The operation of the local network must be approved by the independent gaming test laboratory.
- (o) **Identification Plates Required.** Each electronic game of chance shall have an unremovable identification plate on the exterior of the cabinet which contains the following information:
  - (i) Manufacturer;
  - (ii) Serial Number;
  - (iii) Model Number;
  - (iv) License stamp and identification number issued by the Tribe and the State Gaming Agency certifying compliance with the technical standards set forth in this Compact.

**SECTION 10. REQUIREMENTS FOR PROGRESSIVE ELECTRONIC GAMES OF CHANCE.**

- (a) A meter that shows the amount of the progressive jackpot must be conspicuously displayed at or near the machines to which the jackpot applies. At least once a day each Tribe shall record the amount shown on each progressive jackpot meter at the Tribe's gaming facility except for those jackpots that can be paid directly from the machine's hopper. Explanations for meter reading decreases must be maintained with the progressive meter reading sheets, and where payment of a jackpot is the explanation for a decrease, the Tribe shall record the jackpot payout form number on the progressive meter reading sheets or have a number reasonably available. Each Tribe shall record the base amount of each progressive jackpot that the Tribe offers.

- (b) A Tribe may limit a progressive jackpot to an amount that is equal to or greater than the amount of the jackpot when the limit is imposed. The Tribe shall post a conspicuous notice of the limit at or near the machine or machines to which the limit applies.
- (c) A Tribe shall not reduce the amount displayed on a progressive jackpot meter or otherwise reduce or eliminate a progressive jackpot unless:
  - (i) A player wins the jackpot;
  - (ii) The Tribe adjusts the progressive jackpot meter to correct a malfunction or to prevent the display of an amount greater than a limit imposed pursuant to subsection (b) above, and the Tribe documents the adjustment and the reasons for it as follows:
    - (A) The Tribe documents the distribution;
    - (B) Any machine offering the jackpot to which the Tribe distributes the incremental amount does not require that more money be played on a single play to win the jackpot than the machine from which the incremental amount is distributed;
    - (C) Any machine offering the jackpot to which the incremental amount is distributed complies with the minimum theoretical payout requirement of Section 11(b);
    - (D) The distribution is completed within 30 days after the progressive jackpot is removed from play.
  - (iv) Upon presentation of exceptional circumstances to the State Gaming Agency, and by mutual agreement, the Tribe may reduce, eliminate, distribute, or follow a procedure not otherwise described in this subsection.
- (d) The Tribe shall preserve the records required by this section for two years following the expiration date of this Compact.

**SECTION 11. SOFTWARE REQUIREMENTS FOR ELECTRONIC GAMES OF CHANCE.**

Electronic games of chance must meet the following specification:

- (a) Software Requirements for Randomness Testing. Each electronic game of chance must have a true random number generator which will determine the occurrence of a specific symbol or a specific number to be displayed on the video screen where such symbol, card, or number is wholly or partially determinative of the outcome of the game. A selection process will be considered random if:

(i) Chi-Square Analysis.

Each symbol, card, stop position or number position which is wholly or partially determinative of the outcome of a game, satisfies the 99 percent confidence limit using the standard chi-square analysis.

(ii) Runs Test.

Each symbol, card, stop position or number does not as a significant statistic produce predictable patterns of game elements or occurrences. Each symbol, card, stop position or number will be regarded as random if it meets the 99 percent confidence level with regard to the "runs test" or any generally accepted pattern testing statistic.

(iii) Correlation Analysis.

Each symbol, card, stop position or number is independently chosen without regard for any other symbol, card or number drawn within that game play. Each pair of symbol, card or number positions is considered random if it meets the 99 percent confidence level using standard correlation analysis.

(iv) Serial Correlation Analysis.

Each symbol, card, stop position or number is independently chosen without reference to the same symbol, card, stop position or number in the previous game. Each symbol, card, stop position or number position is considered random if it meets the 99 percent confidence level using standard serial correlation analysis.

(v) Live Game Correlation.

Video games of chance that are representative of live gambling games must fairly and accurately depict the play of the live game.

(b) Software Requirements for Percentage Payout. Each electronic game of chance must meet the following maximum and minimum theoretical percentage payout during the expected lifetime of the game.

(i) Games Not Affected by Player Skill.

Electronic games of chance with game outcomes not affected by player skill shall payout a minimum of 80 percent and not more than 100 percent of the amount wagered, including replays. The theoretical payout percentage will be determined using standard methods of probability theory. For the video game of keno, the theoretical payout percentage requirements apply to each number of spots marked, but in no instance less than 75 percent for each wager.

(ii) **Games That Are Affected by Player Skill.**

Electronic games of chance that are affected by player skill, such as draw poker and blackjack, shall payout a minimum of 83 percent and no more than 100 percent of the amount wagered, including replays. This standard is met by using a method of play which will provide the greatest return to a player over a period of continuous play.

- (c) **Minimum Probability Standard for Maximum Payout.** Each electronic game of chance must have a probability of obtaining the maximum payout which is greater than 1 in 17,000,000 (ONE IN SEVENTEEN MILLION) for each play.
- (d) **Software Requirements for Continuation of Game After Malfunction.** Each electronic game of chance must be capable of continuing the current game with all current game features after a game malfunction is cleared automatically or by an attendant. This provision does not apply if a game is rendered totally inoperable; however, the current wager and all player credits prior to the malfunction must be returned to the player after verification of those amounts by the Tribe.
- (e) **Software Requirements for Play Transaction Records.** Each game shall maintain electronic accounting meters. Such meters shall be maintained at all times, whether or not the game is being supplied with external power. The following information must be recorded and stored on meters:
- (i) Total number of coins or tokens inserted (the meter must count the total number of coins or tokens, or the equivalent value if a bill acceptor is used inserted by the players) (the "In Meter");
  - (ii) Number of coins or tokens automatically paid directly by the machine to the patron (the "Out Meter");
  - (iii) Number of coins or tokens plus the value of any currency dropped into the machine's Drop Bucket (the "Drop Meter");
  - (iv) Number of coins or tokens or value of amounts required to be paid manually to winning patrons not including the value of an aggregate prize or prizes which may be awarded under Section 9(n). (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 12. 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 found to be non-complying shall be so designated in writing by the State Gaming Agency. Within 24 hours 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) Arrange for the inspection of the contested equipment, or single example thereof, by a mutually agreed upon independent gaming test laboratory. Any contested electronic game of chance shall be removed from play until such game has been found by the independent laboratory to be in 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 being tested, approved and certified as provided under Section 2, and

reported to the State Gaming Agency as provided under Section 8, of these Standards.

JAN - 4 2000

000104-0-25

**APPENDIX B**

**ORDINANCE OF THE YAVAPAI-APACHE NATION**

**GOVERNING GAMING UNDER THE**

**YAVAPAI-APACHE NATION/STATE OF ARIZONA**

**GAMING COMPACT**

00 JAN - 4 PM 2:20

No final approval received on revision.  
Should include all amendments to 10/31/97

## TABLE OF CONTENTS

	Page
Section 1. Name	1
Section 2. Definitions	1*
Section 3. Purposes	6
Section 4. Interpretation	7
Section 5. Gaming Policy	7
A. Gaming Activity Prohibited	7
B. Ownership of Gaming Enterprise	7
C. Protection of Environment; Public Health and Safety	7
Section 6. Yavapai-Apache Nation Gaming Commission	7
A. Establishment of Commission	7
B. Powers and Duties	7
C. Composition; Staggered Terms	10
D. Qualification of Commissioners	10
E. Removal of Commissioners	10
F. Resignations and Vacancies	11
G. Selection of Officers	11
H. Executive Director	12
I. Motions and Resolutions; Meetings; Quorum	12
J. Cooperation With Law Enforcement Agencies	12
K. Compensation	12
Section 7. License For Operating And Conducting Gaming Activity	12
A. License Required	12
B. License Application	13
C. Background Investigations	14
D. Temporary License	16
E. Eligibility Determination	16
F. Additional Background Investigations	17
G. Procedures for Forwarding Applications and Reports for Key Employees and Primary Management Officials to the National Indian Gaming Commission	17
H. Report to the National Indian Gaming Commission	18
I. Granting a Gaming License	18
J. Duration and Renewal of Tribal Licenses	19
K. Tribal Employment Standards	20
L. Notification of Change of Principals	20
M. Grounds for Revocation, Suspension, or Denial of License	21
N. Notice, Suspension and Revocation of License	23
Section 8. Appeal to Tribal Court	25
Section 9. Financial Practices And Reporting	25
A. Monthly Reports	25
B. Maintenance of Books and Records; Commission Access	26
C. Allowable Operating Expenses	26
D. Deposit of Gross Receipts; Payment of Operating Expenses	27



E.	Annual Audit	28
F.	Audit of Contracts	28
G.	Disposition of Net Revenues	28
H.	Compliance with Internal Revenue Code	29
Section 10.	Bingo And Class III Games	29
A.	Bingo	29
B.	Class III Games; Tribal-State Compact Required	29
C.	Enforcement Action by the Commission	29
D.	Designation of Officer In Charge	30
E.	Premises Open to Commission	30
F.	Merchandise Prizes	30
G.	Usual Prices	30
H.	Limits on Prizes	30
I.	Employees; Prohibition Against Employees Playing	30
J.	Qualification for Employment; Testing	31
K.	Preference in Employment	31
L.	Personnel Policies	31
M.	Hiring and Training of Employees	31
N.	Expenses of Training Employees	32
O.	Fraudulent Acts	32
P.	Use of Device for Calculating Probabilities	33
Q.	Use of Counterfeit or unapproved tokens	33
R.	Cheating	35
S.	Unlawful Modification of Gaming Devices; Unlawful Instruction	35
T.	Penalties	35
U.	Unlawful dissemination of information concerning Racing	36
V.	Detention and questioning of persons suspected of violating Compact or Ordinance	36
W.	Disposition of Evidence Seized	37
Section 11.	Enforcement; Jurisdiction; Subpoenas	38
A.	Civil Remedies	38
B.	Tribal Court Jurisdiction	39
C.	Enforcement of Commission Subpoenas	39
Section 12.	Severability	40
Section 13.	Effective Date	40

GAMING ORDINANCE OF THE YAVAPAI-APACHE NATION

Gaming Ordinance No. \_\_\_\_\_

BE IT ENACTED BY THE COUNCIL OF THE YAVAPAI-APACHE NATION:

A Gaming Ordinance to Govern, Regulate, and Control Gaming Activities conducted within the jurisdiction of the Yavapai-Apache Nation.

**Section 1. Name.**

The name of this Gaming Ordinance shall be the Gaming Ordinance of the Yavapai-Apache Nation.

**Section 2. Definitions.**

The following words shall have the following meanings under this Gaming Ordinance, unless the context otherwise requires:

A. "Applicant" means any person who has applied for a license from the Commission or certification from the State Gaming Agency under this Gaming Ordinance and the Compact;

B. "Bingo Game" means the Gaming Activity commonly known as "bingo" (whether or not electronic, computer, or other technologic aids are used in connection therewith) which is played for prizes, including monetary prizes, with cards bearing numbers and other designations in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined, and in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards, including (if played in the same location) pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo;

C. "Chairman" means the Chairman of the Yavapai-Apache Nation;

D. "Class I Gaming" means all forms of gaming defined as Class I in Section 4(6) of the Indian Gaming Regulatory Act;

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

F. "Class III Gaming" means all forms of gaming as defined in Section 4(8) of the Indian Gaming Regulatory Act, 25 U.S.C. § 2703(8);

G. "Commission" means the Yavapai-Apache Nation Gaming Commission established by this Gaming Ordinance;

H. "Compact" means the Gaming Compact between the Yavapai-Apache Nation and the State of Arizona;

I. "Enrolled Tribal Member" means an enrolled member of the Yavapai-Apache Nation whose name appears in the tribal membership roll and who meets the written criteria for membership;

J. "Equipment" includes, with respect to Bingo Games, the receptacle and numbered objects drawn from it; the master board upon which such objects are placed as drawn; the cards or sheets bearing numbers or other designations to be covered and the objects used to cover them; the board or signs, however operated, used to announce or display the numbers or designations as they are drawn; the public address system; and all other articles essential to the operation, conduct, and playing of Bingo Games;

K. "Gaming Activity" or "Gaming Activities" means all forms of Class II and Class III gaming owned and operated by the Nation and conducted within the territorial jurisdiction of the Nation;

L. "Gaming Device" means a microprocessor-controlled electronic device which allows a player to play a Gaming Activity, some of which are affected by skill, which device is activated by the insertion of a coin, currency, tokens or by the use of a credit, and which awards game credits, cash, tokens, replays or a receipt that can be redeemed by the player for any of the foregoing. Game play may be displayed by:

- (1) Video facsimile; or
- (2) Mechanical rotating reels whereby the software of the

device predetermines the stop positions and the presence, or lack thereof, of winning combination and pay out, if any;

M. "Gaming Employee" means a Primary Management Official or Key Employee of a Gaming Operation of the Nation and any other Person employed in the operation or management of a Gaming Operation, including but not limited to any Person whose employment duties require or authorize access to restricted areas of a Gaming Facility not otherwise open to the public;

N. "Gaming Facility" means the buildings or structures in which Class III Gaming is conducted;

O. "Gaming Facility Operator" means the Nation, an enterprise owned by the Nation, or such other entity of the Nation as the Nation may from time to time designate by written notice to the State of Arizona under the Compact as the wholly-owned tribal entity having full authority and responsibility for the operation and management of Class III Gaming activities;

P. "Gaming Operation" means any Gaming Activity conducted within any Gaming Facilities;

Q. "Gaming Ordinance" means this Gaming Ordinance of the Yavapai-Apache Nation and any rules or regulations promulgated hereunder;

R. "Gaming Services" means providing of any goods or services to the Nation 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, in an amount in excess of \$10,000 per year, provided that, for the purpose of this Subsection, the provision of legal services and utilities shall not be considered gaming services.

S. "Gross receipts" means receipts from the sale of shares, tickets, or rights in any manner connected with participation or the right to participate in Class II or Class III Gaming, including but not limited to any

admission fee or charge, the sale of merchandise, refreshments, souvenirs, services, equipment, or supplies, interest earned on deposits, and all other miscellaneous receipts;

T. "Key employee" means:

(a) a Gaming Employee who performs one or more of the following functions:

- (1) Bingo caller;
- (2) Counting room supervisor;
- (3) Chief of security;
- (4) Custodian of gaming supplies or cash;
- (5) Floor manager;
- (6) Pit boss;
- (7) Dealer;
- (8) Croupier;
- (9) Approver of credit; or
- (10) Custodian of Gaming Devices including Persons

with access to cash and accounting records within such devices;

(b) If not otherwise included, any other Person whose total cash compensation is in excess of \$50,000 per year; or

(c) If not otherwise included, the four most highly compensated Persons in the Gaming Operation;

U. "License" means an approval issued by the Tribal Gaming Commission to any Person involved in the Gaming Operation or in providing Gaming Services to the Nation;

V. "Licensee" means any Person who has been licensed by the Commission to be involved in the Gaming Operation or in the provision of Gaming Services to the Nation;

W. "Management Contract" means a contract within the meaning of 25 U.S.C. §§ 2710(d)(9) and 2711;

X. "Management Contractor" means a Person that has entered into

a Management Contract with the Nation or been hired pursuant to Section 7 of this Gaming Ordinance;

Y. "National Indian Gaming Commission" means the National Indian Gaming Commission established by the Indian Gaming Regulatory Act, 25 U.S.C. §§ 2701-21, 18 U.S.C. §§ 1166-68;

Z. "Net revenues" means the gross receipts less the operating expenses, which expenses include but are not limited to wages, management fees, prizes, utilities costs, insurance costs, advertising costs, repair costs, maintenance costs, costs of supplies, security services costs, janitorial services costs, trash removal costs, taxes, rent, lawyers' and accountants' fees, repayment of capital contributions, and such other deductions or charges as may be specifically authorized hereunder;

AA. "Occasion" means a gathering at which a Gaming Activity is conducted;

BB. "Person" means a natural person, trust, firm, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other legal entity whatsoever;

CC. "Premises" means any room, hall, building, enclosure, or outdoor or other area used for the purpose of conducting a Gaming Activity;

DD. "Primary Management Official" means:

(1) The Person having management responsibility under a management contract;

(2) Any Person who has authority:

(a) to hire and fire employees; or

(b) to set up working policy for a Gaming Operation;

or

(3) The chief financial officer or other Person who has financial management responsibility;

**EE.** "Principal" means with respect to any Person:

(1) Each of its officers and directors;

(2) Each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer or general management;

(3) Each of its owners or partners, if an unincorporated business;

(4) Each of its shareholders who own more than ten (10) percent of the shares of the corporation, if a corporation;

(5) Each person other than a banking institution who has provided financing for the entity constituting more than ten (10) percent of the total financing of the entity; and

(6) Each of the beneficiaries or trustees of a trust;

**FF.** "Reservation" means the Yavapai-Apache Nation Reservation and any lands the title to which is held in trust by the United States for the benefit of the Yavapai-Apache Nation or a member thereof or held by the Yavapai-Apache Nation subject to a restriction by the United States against alienation, and over which lands the Yavapai-Apache Nation exercises governmental power;

**GG.** "State" means the State of Arizona;

**HH.** "State Gaming Agency" means the agency of the state which the Governor may from time to time designate by written notice to the Nation as the single state agency authorized to act on behalf of the state under the Compact;

**II.** "Tribal Council" means the Tribal Council of the Yavapai-Apache Nation, the governing body of the Nation; and

**JJ.** "Tribal Court" means the judiciary of the Yavapai-Apache Nation.

**Section 3. Purposes.**

The purposes of this Gaming Ordinance are to make lawful and to regulate the operation and conduct of Gaming Activities on the Reservation so that revenue may be produced to fund tribal governmental operations and programs which promote the health, education, and welfare of the Nation and its members and which promote tribal economic development.

**Section 4. Interpretation.**

This Gaming Ordinance is an exercise of the sovereign power of the Nation and shall be liberally construed for the accomplishment of its purposes and to comply with the Indian Gaming Regulatory Act.

**Section 5. Gaming Policy.**

A. Gaming Activity Prohibited. No Person may operate or conduct any Gaming Activity within the boundaries of the Reservation except in accordance with the provisions of this Gaming Ordinance and the applicable provisions of the Compact.

B. Ownership of Gaming Enterprise. The Yavapai-Apache Nation, acting through the Tribal Council, an enterprise owned by the Nation, or such other entity designated by the Nation pursuant to the Compact, shall have the sole proprietary interest in and responsibility for the operation and conduct of any Gaming Activity conducted on the Reservation.

C. Protection of Environment; Public Health and Safety. The construction and maintenance of any Gaming Facility, and the conduct of any Gaming Activity, shall be done in a manner that adequately protects the environment and the public health and safety.

**Section 6. Yavapai-Apache Nation Gaming Commission.**

A. Establishment of Commission. There hereby is established the Yavapai-Apache Nation Gaming Commission for the purposes of regulating all Gaming Activity within the Reservation and enforcing this Gaming Ordinance.

B. Powers and Duties. The Commission shall have the following powers and duties:

1. To permit or refuse to permit the operation or conduct



of any Gaming Activities within the exterior boundaries of the Reservation, and to specify the conditions for the operation and conduct of such Gaming Activities within the exterior boundaries of the Reservation, including hours of operation and compliance with all applicable liquor laws;

2. To grant, suspend, or revoke licenses in accordance with this Gaming Ordinance and the Compact;

3. To monitor and oversee the operation and conduct of all Gaming Activity within the exterior boundaries of the Reservation on a continuing basis, including but not limited to ongoing monitoring and oversight of Licensees engaged in the operation and conduct of such games;

4. To inspect and examine all premises within the Reservation at which a Gaming Activity is conducted;

5. To conduct or cause to be conducted background investigations of Persons involved, directly or indirectly, in the operation or conduct of Gaming Activities within the Reservation;

6. To inspect, examine, photocopy, and audit all papers, books, and records respecting gross receipts of Gaming Activities operated or conducted within the Reservation and any other matters necessary to carry out the duties of the Commission under this Gaming Ordinance and the Compact;

7. To bring suits in the Tribal Court seeking temporary and permanent orders closing a Gaming Activity in accordance with this Gaming Ordinance and the Compact;

8. To enter into contracts with tribal, federal, state, and private entities for activities necessary to the discharge of the duties of the Commission under this Gaming Ordinance and the Compact and to contract with the National Indian Gaming Commission for the enforcement of federal regulations governing gaming on Indian reservations;

9. Subject to the approval of the Tribal Council, to adopt the budget of the Commission annually;

10. Subject to the approval of the Tribal Council, to

establish fees for applications for licenses and renewals thereof and fees for Licensees based on a percentage of the gross receipts of Gaming Activities operated or conducted by such Licensees;

11. To require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under consideration or investigation by the Commission, and to bring actions in the Tribal Court for the enforcement of such subpoenas;

12. To administer oaths and affirmations to witnesses appearing before the Commission;

13. To hear appeals in accordance with this Gaming Ordinance;

14. To keep minutes, records, and books in which shall be kept a true, faithful, and correct record of all proceedings of the Commission;

15. To hire and/or designate an Executive Director and such other employees as may be necessary to discharge the Commission's duties under this Gaming Ordinance and the Compact;

16. To promulgate rules and regulations as it deems appropriate to implement the provisions of this Gaming Ordinance and the Compact;

17. To require the Gaming Facility Operator to have the responsibility for on-site operation, management, and security and to adopt reasonable procedures designed to provide for the physical safety of Gaming Employees, patrons in the Gaming Facility, assets transported to, from, and within the Gaming Facility, and the property of the patrons and Gaming Facility Operator;

18. To recommend amendments to this Gaming Ordinance to the Tribal Council;

19. To submit an annual report to the Tribal Council on the activities of the Commission, such report to include information on the

funding, income, and expenses of the Commission; and

20. To detain persons who may be involved in illegal acts for the purpose of notifying appropriate law enforcement authorities.

C. Composition; Staggered Terms. The Commission shall consist of five (5) Commissioners appointed by the Tribal Council. Each Commissioner shall serve for a term of five (5) years; provided that, in order to stagger the expiration of terms of office, the first Commissioner appointed shall serve a five-year term, the second Commissioner appointed shall serve a four-year term, and the third Commissioner appointed shall serve a three-year term, the fourth Commissioner appointed shall serve a two-year term, and the fifth Commissioner appointed shall serve a one-year term. A Commissioner may serve after the expiration of his or her term of office until a successor has been appointed, unless such Commissioner has been removed for cause under Subsection E of this Section.

D. Qualification of Commissioners. At least three (3) Commissioners must be an enrolled member of the Nation. No Person shall be eligible or qualified to serve or continue to serve as a Commissioner or as an appointee or employee of the Commission, who:

1. Has been convicted of a felony or gaming offense;
2. Has any financial interest in, or management responsibility for, any gaming activity;
3. Has any financial interest in, or management responsibility for, any gaming management contract submitted to the Commission for review or approval; and/or
4. Is a Gaming Employee or other employee of a Gaming Facility Operator.

E. Removal of Commissioners. A Commissioner may be involuntarily removed from office before the expiration of his or her term in accordance with the following procedures:

1. Removal of a Commissioner may be initiated by a member

or members of the Tribal Council providing the Secretary of the Tribal Council with a written request specifying the cause for removal, signed by not less than five (5) of the members of the Tribal Council;

2. The cause for removal shall be limited to:  
(1) conviction in any court of a felony or crime involving moral turpitude;  
(2) failure to meet or maintain the qualifications for Commissioners set forth in Subsection D of this Section; (3) gross neglect of duty; (4) malfeasance in office; or (5) conduct which amounts to gross and intentional disregard of the laws and procedures applicable to the affairs of the Commission;

3. Not less than twenty (20) nor more than thirty (30) days following receipt of the written request for removal, the Tribal Council shall convene a special meeting for the sole purpose of voting on the removal of the Commissioner. Before any vote is taken, the Commissioner shall be given a full opportunity, either in person or through a representative of his or her choice, to answer or otherwise respond to any and all charges against him or her; and

4. To remove a Commissioner from office, the affirmative vote of no less than six (6) of the members of the Tribal Council is required.

F. Resignations and Vacancies. Any Commissioner may resign at any time by giving written notice of such to the Secretary of the Commission and to the Secretary of the Tribal Council. The resignation shall become effective at the time specified in such notice, and the acceptance of such resignation shall not be necessary to make it effective. Any vacancy on the Commission, howsoever caused, shall be filled for the unexpired portion of the vacated Commissioner's term by a qualified person appointed by the Tribal Council.

G. Selection of Officers. The Commission shall select annually by majority vote one (1) of its members to serve as Chairman, one (1) of its members to serve as Vice Chairman, and one (1) of its members to serve as

**Secretary.** The Vice Chairman shall serve as Chairman during meetings of the Commission at which the Chairman is absent.

H. **Executive Director.** The Commission shall hire and/or designate an Executive Director of the Commission who shall serve as the formal liaison to the person holding the similarly titled position with the State Gaming Agency and have overall responsibility for the administrative functions of the Commission.

I. **Motions and Resolutions; Meetings; Quorum.** The powers of the Commission are vested in the Commissioners. All official actions of the Commission shall be taken by motion or resolution approved by the affirmative vote of a majority of the Commission. The Commission shall meet at the call of the Chairman or a majority of the Commissioners. Three (3) members of the Commission shall comprise a quorum.

J **Cooperation With Law Enforcement Agencies.** The Commission may cooperate with law enforcement officials of the State of Arizona, the Bureau of Indian Affairs, the Federal Bureau of Investigation, and other law enforcement agencies, when such cooperation is in the best interests of the Nation and will help to insure that fair, honest, and efficient Gaming Activities are conducted within the Reservation. The Commission shall notify the State Gaming Agency within forty-eight (48) hours of the time a violation or suspected violation of the Gaming Ordinance or Compact is reported to the Commission.

K **Compensation.** Commissioners shall be reasonably compensated as determined by the Tribal Council and in accordance with the annual budget of the Commission.

**Section 7. License For Operating And Conducting Gaming Activity.**

A. **License Required.** The Gaming Facility Operator, including its Principals, Primary Management Officials, and Key Employees, Management Contractor, including its Principals, Manufacturer and Supplier of Gaming Devices, and each Person providing Gaming Services within or without a Gaming

Facility shall apply for and receive a license from the Commission before their participation in any way in the operation or conduct of any Gaming Activities within the Reservation. A separate license shall be required for each location of a Gaming Facility.

B. License Application. Each Applicant for a license shall file with the Commission a written application in the form prescribed by the Commission, along with the Applicant's fingerprint card, current photograph, and the fee required by the State Gaming Agency and Commission.

1. The following notice shall be placed on the application form for a Key Employee or a Primary Management Official before that form is filled out by an Applicant:

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. §§ 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a Gaming Operation. The information will be used by members and staff of the Yavapai-Apache Nation Gaming Commission and the National Indian Gaming Commission who have need for the information in the performance of their official duties. The information may be disclosed to appropriate federal, tribal, state, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal, or regulatory investigations or prosecutions or when, pursuant to a requirement by a tribe or the National Indian Gaming Commission, the information is relevant to the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with a tribe or a Gaming Operation. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to hire you in a primary management official or key employee position with a tribal gaming enterprise.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

2. Existing Key Employees and Primary Management Officials shall be notified in writing that they shall either:

(a) Complete a new application form that contains a Privacy Act notice; or

(b) Sign a statement that contains the Privacy Act

notice and consent to the routine uses described in that notice.

3. The following notice shall be placed on the application form for a Key Employee or a Primary Management Official before that form is filled out by an Applicant:

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment. See 18 U.S.C. § 1001.

4. The Nation shall notify in writing existing Key Employees and Primary Management Officials that they shall either:

(a) Complete a new application form that contains a notice regarding false statements; or

(b) Sign a statement that contains the notice regarding false statements.

C. Background Investigations.

1. Upon receipt of a completed Application and required fee for licensing, the Commission shall conduct or cause to be conducted a background investigation to ensure the Applicant is qualified for licensing.

2. The Commission shall request from each Applicant, and from each Principal, Primary Management Official and Key Employee of each Applicant, all of the following information:

(a) Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, and all languages spoken or written;

(b) Currently and for the previous five (5) years, business and employment positions held, ownership interests in those businesses, business and residence addresses, and driver's license numbers; provided that all Applicants who are a Primary Management Official, Key Employee, Management Contractor, Manufacturer and Supplier of Gaming Devices, and/or a Person providing Gaming Services, must provide such information currently and from the age of eighteen;

(c) The names and current addresses of at least

three personal references, including one personal reference who was acquainted with the Applicant during each period of residence listed un paragraph (1)(b) of this section;

(d) Current business ,and residence telephone numbers;

(e) A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses, and a description of any potential or actual conflict of interest between such businesses and Indian tribes;;

(f) A description of any existing and previous business relationships in the gaming industry, including ownership interests in those businesses;

(g) The name and address of any licensing or regulatory agency with which in the Person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;

(h) For each felony for which there is an ongoing prosecution or a conviction, the charge, the date of the charge, the name and address of the court involved, and the disposition, if any;

(i) For each misdemeanor for which there is an ongoing prosecution or conviction (excluding minor traffic violations), the charge, the date of the charge, the name and address of the court involved, and the disposition, if any;

(j) For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is not otherwise listed pursuant to paragraph (2)(h) or (2)(i) of this section, the criminal charge, the date of the charge, the name and address of the court involved, and the disposition, if any;

(k) The name and address of any licensing or regulatory agency with which the Person has filed an application for an



occupational license or permit, as an Applicant, Primary Management Official, or Key Employee, and whether or not such license or permit was granted;

(l) A current photograph;

(m) Any other information the Commission deems relevant;

(n) Fingerprints consistent with procedures adopted by the Nation according to 25 C.F.R. § 522.2(h); and

(o) The fee required by the State Gaming Agency and the Commission.

3. In conducting a background investigation, the Commission and its agents shall promise to keep confidential the identity of each Person interviewed in the course of the investigation.

D. Temporary License. Within twenty (20) days of the receipt of a completed Application for licensing, and upon request of an Applicant, the Commission may issue a temporary license to the Applicant unless the background investigation undertaken discloses that the Applicant has a criminal history, or unless other grounds sufficient to disqualify the Applicant are apparent on the face of the Application. The temporary license shall become void and be of no effect upon either (1) the issuance of the license; (2) the issuance of a notice of denial; or (3) ninety days after the Licensee has begun working, provided that the Commission, in its absolute discretion, may extend a temporary license for an additional period not to exceed one hundred twenty days (120).

E. Eligibility Determination.

1. The Commission shall review a Person's prior activities, criminal record, if any, and reputation, habits, and associations to make a finding concerning the eligibility of an Applicant, Key Employee or Primary Management Official of an Applicant, for employment or involvement in a Gaming Operation. Upon completion of the investigation, the Commission

shall either issue a license or deny the Application. If the Commission determines that employment or involvement of the Person or Applicant poses a threat to the public interest or to the effective regulation of a Gaming Activity, or creates or enhances dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of Gaming Activities, the Commission shall deny the Application. If the Commission denies the Application, the Commission shall forward to the State Gaming Agency, together with all documents relied on, a statement setting forth the grounds of denial.

2. Pursuant to the Compact, the State Gaming Agency also shall conduct a background investigation of all applicants and shall provide the Commission with a written recommendation as to whether the Commission should license the Applicant.

F. Additional Background Investigations. The Commission retains the right to conduct additional background investigations of any person required to be licensed at any time while the license is valid.

G. Procedures for Forwarding Applications and Reports for Key Employees and Primary Management Officials to the National Indian Gaming Commission.

1. When a Key Employee or Primary Management Official begins work at a Gaming Operation authorized by this Gaming Ordinance, the Commission shall forward to the National Indian Gaming Commission a completed application for employment and conduct the background investigation and make the determination referred to in subsection E of this Section.

2. Pursuant to the Compact the State Gaming Agency also shall conduct a background investigation of all Applicants and shall provide the Commission with a written recommendation as to whether the Commission should license the Applicant.

3. The Commission shall forward the report referred to in subsection H of this Section to the National Indian Gaming Commission within sixty (60) days after an employee begins work or within sixty (60) days of the approval of this Gaming Ordinance by the Chairman of the National Indian

Gaming Commission.

4. The Gaming Operation shall not employ as a Key Employee or Primary Management Official a Person who does not have a License after ninety (90) days after his or her commencement of work at the Gaming Operation or who does not have a validly extended temporary license.

H. Report to the National Indian Gaming Commission.

1. Pursuant to the procedures set out in subsection (G) of this Section, the Commission shall prepare and forward to the National Indian Gaming Commission an investigative report on each background investigation. An investigative report shall include all of the following:

(a) steps taken in conducting the background investigation;

(b) results obtained;

(c) conclusions reached; and

(d) the bases for those conclusions.

2. The Commission shall submit with the report a copy of the eligibility determination made under subsection (E) of this Section.

3. If a license is not issued to an Applicant the Commission:

(a) shall notify the National Indian Gaming Commission; and

(b) may forward copies of its eligibility determination and investigative report (if any) to the National Indian Gaming Commission for inclusion in the Indian Gaming Individuals Records System.

4. With respect to Key Employees and Primary Management Officials, the Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the National Indian Gaming Commission or his or her designee for no less than three (3) years from the date of termination of employment.

I. Granting a Gaming License.

1. If, within a thirty (30) day period after the National Indian Gaming Commission receives a report, the National Indian Gaming Commission notifies the Commission that it has no objection to the issuance of a License pursuant to a license application filed by a Key Employee or a Primary Management Official for whom the Commission has provided an application and investigative report to the National Indian Gaming Commission, the Commission may issue a License to such Applicant.

2. The Commission shall respond to a request for additional information from the Chairman of the National Indian Gaming Commission concerning a Key Employee or a Primary Management Official who is the subject of a report. Such a request shall suspend the 30-day period under paragraph I. 1. of this section until the Chairman of the National Indian Gaming Commission receives the additional information.

3. If, within the thirty (30) day period described above, the National Indian Gaming Commission provides the Commission with a statement itemizing objections to the issuance of a license to a Key Employee or to a Primary Management Official for whom the Commission has provided an application and investigative report to the National Indian Gaming Commission, the Commission shall reconsider the application, taking into account the objections itemized by the National Indian Gaming Commission and make a final decision whether to issue a License to such Applicant.

J. Duration and Renewal of Tribal Licenses.

Any tribal License shall be effective for one (1) year from the date of issuance; provided, that a licensed Gaming Employee or other Person that has applied for renewal may continue to be employed or engaged under the expired License until action is taken on the renewal application by the Commission. Applicants seeking renewal of a License shall provide the renewal fee and updated material as requested, on the appropriate renewal forms, but may not be required to resubmit historical data already available to the Commission. Additional background investigations shall not be required

of Applicants for renewal unless new information concerning the Applicant's continuing eligibility for a license is discovered by either the Tribal Gaming Office or the State Gaming Agency.

K. Tribal Employment Standards. The issuance of a license by the Commission does not create or imply a right of employment or continued employment. The Gaming Facility Operator shall not employ, and if already employed, shall terminate, a Gaming Employee if it is determined by the Commission that the Applicant:

1. has been convicted of any felony or gaming offense;
2. has knowingly and willfully provided materially important false statements or information or omitted materially important information on his or her employment Application for employment at the Gaming Facility or background questionnaire; or
3. is determined to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, and methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto.

L. Notification of Change of Principals. After an Applicant who is not a natural person is licensed by the Commission, such entity shall file a report of each change of its Principals with the Commission and the State Gaming Agency. Each new Principal shall file a complete application within (30) days after appointment or election. The Commission shall forward a copy of the application to the State Gaming Agency. The entity's License shall remain valid unless the Commission disapproves the change or denied the application. Pursuant to the Compact, the entity's certification also shall remain valid unless the State Gaming Agency disapproves the change or denies

the Application.

M. Grounds for Revocation, Suspension, or Denial of License.

1. The Commission may revoke, suspend, or deny a License when the Applicant or Licensee:

(a) has been determined by the National Indian Gaming Commission to be not eligible for employment. If, after a License has been issued, the Commission receives reliable information from the National Indian Gaming Commission that a Key Employee or Primary Management Official is not eligible for employment, the Commission shall suspend such License and shall notify in writing the Licensee of the suspension and the proposed revocation. After a revocation hearing, the Commission shall decide to revoke or to reinstate the gaming License, and it shall notify the National Indian Gaming Commission of its decision;

(b) has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of this Gaming Ordinance, the Compact, or any provision of any Commission 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;

(c) knowingly causes, aids, abets, or conspires with another to cause any Person or entity to violate any of the laws of the Nation, the rules of the Commission or State Gaming Agency, the provisions of this Gaming Ordinance, or the Compact;

(d) has obtained a tribal License or State certification by fraud, misrepresentation, concealment or through inadvertence or mistake;

(e) has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payment or reports to any tribal,

state or United States governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of the Nation, or any state of the United States, or of any crime, whether a felony or misdemeanor, involving any gaming activity, physical harm to individuals, or moral turpitude;

(f) makes a misrepresentation of, or fails to disclose a material fact to the Commission or State Gaming Agency;

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

(h) is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under subsection (d) of this Section; provided, that at the request of any Applicant, the Commission may defer decision upon the Application during the pendency of such prosecution or appeal;

(I) has had a gaming license issued by any state or tribe in the United States revoked or denied;

(j) has demonstrated a willful disregard for compliance with gaming regulatory authority in any jurisdiction, including suspension, revocation, denial of an application or forfeiture of license;

(k) has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the applicable criminal laws of any state or tribe 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 Activity on the Reservation;

(l) is a career offender or a member of a career offender organization or an associate of a career offender or career offender organization 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 Activities on the Reservation. For the purposes of this paragraph, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purposes of economic gain using such methods as are deemed criminal violations of tribal law, federal law or the laws and the public policy of this State. For the purposes of the paragraph, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain. A career offender organization shall be defined as any group of persons who operate together as career offenders;

(m) is a person whose prior activities, criminal record, if any, reputation, habits and associations pose a threat to the public interest of the Nation to the effective regulation and control of Gaming Activities, or creates or enhances the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of Gaming Activities, or the carrying on of the business and financial arrangements incidental thereto;

(n) fails to keep sufficient books and records to substantiate the reports required by this Gaming Ordinance or falsifies any books and records related to any Gaming Activity; or

(o) fails to provide any information requested by the Commission within fourteen (14) days of the request for the information.

**N. Notice, Suspension and Revocation of License.**

1. Proceedings to suspend or revoke a License shall be initiated by the Commission by serving a complaint upon the Licensee. If, in the Commission's judgment, the public interest; the effective regulation and control of Gaming Activities; or the safe, fair, and honest conduct of Gaming Activities so require, the Commission may suspend a License immediately subject to the holding of a hearing as described herein. Such an immediate suspension shall take effect upon service of the complaint upon the Licensee.



2. Contents of Complaint; Service. The complaint shall set forth the violations of this Gaming Ordinance which the Commission has reasonable cause to believe the Licensee has committed. The Commission shall cause the complaint and notice of hearing to be served personally upon the Licensee or any agent of the Licensee, or to be sent by certified mail or overnight delivery to the Licensee at the address shown upon the License. The complaint shall notify the Licensee of the place and date of a hearing, such date to be not less than twenty (20) days after the Licensee receives a copy of the complaint.

3. Answer; Subpoenas. Upon receipt of a complaint and notice of hearing, the Licensee shall answer the complaint and shall inform the Commission whether the Licensee desires to present evidence. At the request of the Licensee for good cause shown, or on its own motion, the Commission may issue subpoenas for the attendance of witnesses and for the production of papers, books, records, and documents.

4. Hearing; Written Decision. Without unreasonable delay, the Commission shall hear the matter and make a decision in writing, including findings of fact in support of its decision. The Commission shall issue its decision within thirty (30) days of the hearing. The Commission shall inform the Licensee in writing of its decision within seven (7) days of its decision and, in the event of a suspension or revocation of his or her License, of the effective date of the suspension or revocation.

5. Surrender of License. When the Commission suspends or revokes a License, the Licensee shall surrender the License to the Commission on or before the effective date of the suspension or revocation. No License shall be valid as of the effective date of the suspension or revocation, whether surrendered or not.

6. Additional Sanctions. Upon its determination to suspend or revoke a License, the Commission, in addition to any other penalties that may be imposed, may declare the Licensee ineligible to operate

or conduct Gaming Activity, to participate, directly or indirectly, in the operation or conduct of Gaming Activity, or to apply for a License for a period not exceeding twenty-four (24) months. Such declaration of ineligibility may be extended to include any Primary Management Officials, Key Employees, Principals, owners, officers, or directors of the Licensee, and any of its subsidiary organizations, parent organizations, or affiliates.

**Section 8. Appeal to Tribal Court.**

A. Except as otherwise provided in the Gaming Ordinance, any Licensee aggrieved by a decision or order of the Commission, within fifteen (15) days after issuance of the order or decision by the Commission, may appeal the decision or order in writing to the Tribal Court, and the Tribal Court shall have jurisdiction to consider and resolve such appeal. A copy of the appeal also must be sent simultaneously to the Executive Director.

B. In reaching its decision, the Tribal Court shall consider only such evidence relating to the order from which appeal is taken as appears in the records of the Commission and was available to the Commission at the time of its decision.

C. The Tribal Court may affirm, reverse, vacate, or modify a decision or order of the Commission; provided that the Tribal Court shall affirm the order of the Commission unless such decision or order is arbitrary, capricious, or otherwise in contravention of applicable law.

**Section 9. Financial Practices And Reporting.**

A. Monthly Reports. On or before the twentieth day of each month, the Gaming Facility Operator and the Management Contractor, or if there is no Management Contractor, the gaming Facility Operator, shall file with the Commission, the Gaming Facility Operator, and the Tribal Council a certified financial report for the preceding calendar month, prepared in accordance with generally accepted accounting principles, showing (1) the amount of gross receipts derived from Gaming Activities, (2) the operating expenses incurred or paid, (3) the specific classifications of such receipts and expenses

allocated between Non-Gaming Activities and Gaming Activities, (4) the names and addresses of each Person to whom has been paid Six Hundred Dollars (600.00) or more in the aggregate and the purposes of such payments, (5) the net revenues derived from Gaming Activities. The monthly report shall provide sufficient information and detail to allow its use to calculate the Management Fee. It is the duty of the Gaming the Management Contractor, or, if there is no Management Contractor, the Gaming Facility Operator, to maintain and keep such books and records as may be necessary to substantiate the particulars of each report. If the Gaming Facility Operator or the Management Contractor fails to file the report within the time allowed, or if a report is not properly certified or not fully, accurately, and truthfully completed, the License(s) of the Gaming Facility Operator and/or the Management Contractor may be suspended by the Commission until such time as the deficiency has been corrected. The Management Contractor or, if there is no Management Contractor, the Gaming Facility Operator, also shall file with the Commission, the Gaming Facility Operator, and the Tribal Council quarterly and annual certified financial reports meeting the requirements of this subsection.

**B. Maintenance of Books and Records; Commission Access.** Full and accurate books of account shall be kept on the Reservation at the places of business of the Gaming Facility Operator and the Management Contractor, showing the condition of the business and all transactions relating to Gaming Activities on the Reservation. The Commission and the Chairman of the Nation shall have access to such books of account and shall be entitled to examine them without notice at any time during ordinary business hours or during Gaming Activities either in Person or by an agent. All records of Gaming Activities in whatever medium shall be maintained for five (5) years.

**C. Allowable Operating Expenses.** No item of expense shall be incurred or paid in connection with operating or conducting any Gaming Activity except a bona fide expense in a reasonable amount. Expenses may be incurred only for the following purposes:

1. For the purchase of goods, wares, and merchandise furnished;

2. For the provision of advertising and promotions;

3. For personnel payroll and associated costs, including but not limited to employee benefit plan costs and applicable payroll taxes;

4. For instruction and training;

5. For maintenance or repairs of Gaming Devices, and other equipment;

6. For depreciation as appropriately allocated to buildings, gaming devices, other gaming equipment, and other equipment used in the Casino;

7. For printing;

8. For rent, janitorial, trash removal, and security services;

9. For legal, accounting, and other professional fees;

10. For taxes and license fees;

11. For utilities;

12. For insurance;

13. For vehicle expenses;

14. For prizes for winners of Gaming Activity;

15. For reasonable travel expenses;

16. For licensing and certification fees for the Casino and its employees, including Key Personnel;

17. For interest payments on indebtedness incurred for the development, operation, or maintenance of the Casino, and

18. For all other expenses reasonably necessary for the efficient and profitable operation and conduct of the Casino.

Allowable operating expenses shall not include:

(1) Management fees, licensing fees, and related costs of

a Management Contractor and its officers, directors, or employees; or

(2) Expenses and costs not in the normal course of business.

D. Deposit of Gross Receipts; Payment of Operating Expenses.

All gross receipts shall be deposited in a special account of the Gaming Facility Operator which shall contain only gross receipts. All operating expenses shall be withdrawn from such account by consecutively numbered checks duly signed by the Management Contractor or an official or officials thereof designated by the Management Contractor, and the Gaming Facility Operator or an official or officials thereof designated by the Gaming Facility Operator, payable to a specific Person or organization. No check shall be drawn to "cash" or a fictitious payee.

E. Annual Audit. The Gaming Facility Operator shall cause to be conducted by a nationally recognized Certified Public Accounting Firm, employed and approved by the Nation, an annual independent certified audit of all Gaming Activities and related operations and shall deliver a copy of every such audit to the Management Contractor, if one exists, the Tribal Council, the Commission, the National Indian Gaming Commission, and the State Gaming Agency in accordance with all applicable regulations. The expense of such audit will be borne by the Gaming Operation as an Allowable Operating Expense, provided that, if the Gaming Operation is conducted pursuant to a Management Contract, if such audit reveals that the Nation has been paid less than ninety percent (90%) of the amount of Net Revenues to which the Nation is entitled for the period covered by the audit, then the expense of such audit shall be borne by the Management Contractor.

F. Audit of Contracts. Any contract for supplies, services, or merchandise in an amount greater than \$25,000 per year, except contracts for professional legal or accounting services, which contract relates to gaming activities, shall be subject to annual outside independent certified audits on the order of the Tribal Council or the Commission at the expense of the Gaming

Facility Operator and/or the Management Contractor.

G. Disposition of Net Revenues. The net revenues derived from Gaming Activities shall be deposited into a separate fund of the Nation on a quarterly basis and shall not be used for purposes other than:

1. To fund Nation governmental operations and programs;
2. To provide for the general welfare of the Nation and its members; and
3. To promote tribal economic development.

H. Compliance with Internal Revenue Code. The Management Contractor shall maintain a permanent record containing the name and address of each player who receives a prize if and as required by and in accordance with the Internal Revenue Code.

**Section 10. Bingo And Class III Games.**

A. Bingo. The Commission may authorize the establishment and conduct of a bingo operation at designated locations on the Reservation, as well as any other Class II Gaming, such as pull-tabs, lotto, and tip jars.

B. Class III Games; Tribal-State Compact Required. Class III Gaming may be conducted or operated on the Reservation only in conformance with the Compact.

C. Enforcement Action by the Commission. The Commission may, based on reasonable grounds or on reliable complaint made, and after written notice giving the Gaming Facility Operator and the Management Contractor thirty (30) days to cure an alleged violation of this Gaming Ordinance, the Compact, or rules of the Commission, seek such relief from the Tribal Court as is authorized in this Gaming Ordinance, against the Gaming Facility Operator, the Management Contractor, or their Principals, Primary Management Officials, Key Employees, or employees having duties to perform respecting the operation and conduct of Class II and/or class III Gaming, as may be necessary in the judgment of the Commission for the proper enforcement of this Gaming Ordinance.

D. Designation of Officer In Charge. The Management Contractor shall designate a Person to be the officer in charge of the Gaming Facility at all times. The officer in charge shall be primarily responsible for the operation and conduct of Class II or Class III Gaming in the Gaming Facility. The officer in charge must have obtained a license from the Commission at least ten (10) days prior to the occasion. The officer in charge shall supervise all Gaming Activities and shall be present on the premises continuously during the conduct of Gaming Activities and for a period of at least one (1) hour after the last Bingo Game or Class III Game of the occasion has been completed.

E. Premises Open to Commission. Premises where any Class II or Class III Gaming is being operated or conducted, or where it is intended that Class II or Class III Gaming will be operated or conducted, shall at all times be open to inspection by the Commission and its agents and employees.

F. Merchandise Prizes. When any merchandise is awarded as a prize in Class III Gaming, the value of such merchandise shall be its current retail price. Merchandise awarded as a prize may be redeemable or convertible into cash, as long as the cash amount equals the value of the merchandise. A sign shall be posted that explains to the player that the top award merchandise or the cash equivalent, as stated in U.S. dollars, will be awarded for the winning combination of symbols stated on the award glass; and

G. Usual Prices. Equipment, prizes, and supplies for Gaming Activities shall not be purchased or sold at prices in excess of the usual price thereof.

H. Limits on Prizes. The size of the prizes offered or given in Class II or Class III Gaming or on any occasion shall be subject to such limits as may be established by regulations duly promulgated by the Commission or set in the Compact.

I. Employees; Prohibition Against Employees Playing. All Persons who operate or conduct, or assist in operating or conducting Class II

or Class III Gaming shall be employees of the Gaming Facility Operator or the Management Contractor and shall wear legible tags evidencing their names and the legend of the Nation. **Except as specified below**, employees of the Gaming Facility Operator or the Management Contractor may, subject to the restrictions as set out in the Cliff Castle Casino Team Member Policy Manual, play any Class II or Class III Gaming. No employee of the Gaming Facility Operator or the Management Contractor may play any Class II or Class III Gaming for ninety (90) days after termination of such employment.

**Employees of the Gaming Facility Operator, except any Security Department and Surveillance Department employees, may engage in Class II gaming under regulations adopted by the Gaming Facility Operator, provided, that such employees shall not be permitted to use funds provided by the Gaming Facility Operator to engage in such Class II gaming.**

J. **Qualification for Employment; Testing.** Employees of the Gaming Facility Operator and the Management Contractor shall be of good moral character, shall not have been convicted of any felony or gaming offense, and, as a condition of their contract of employment, shall agree to any lawful means of testing for truthfulness, including but not limited to polygraph testing, at any time and without prior notice, concerning the handling, collection, and/or disbursement of gross receipts, and to any lawful drug testing. No Person shall be employed by the Gaming Facility Operator or the Management Contractor, whose prior activities, criminal record if any, reputation, habits, or associations pose a threat to the public interest or to the effective regulation and control of Gaming Activities, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the operation or conduct of Gaming Activities or the carrying on of the business and financial arrangements incidental thereto.

K. **Preference in Employment.** Members of the Nation and their spouses and children shall receive preference in employment and advancement if they meet the qualifications for employment with the Gaming Facility Operator and/or the Management Contractor.

L. **Personnel Policies.** The Gaming Facility Operator shall



adopt written personnel policies that shall be provided to each employee; these shall provide an informal grievance procedure and shall provide for an employee's right to receive a written statement of reasons for dismissal in the event such employee is dismissed.

M. Hiring and Training of Employees. The Gaming Facility Operator and the Management Contractor shall provide sufficient and timely training to all employees. The Gaming Facility Operator and Management Contractor shall train all employees who are Enrolled Tribal Members and their spouses and children pursuant to written training programs containing specified time lines to allow such employees to acquire the experience and skills necessary to become managers and supervisors in Gaming Activities.

N. Expenses of Training Employees. The expense of providing training to Enrolled Tribal Members, and to their spouses and children, shall be an operating expense of the Gaming Facility Operator and/or the Management Contractor.

O. Fraudulent Acts.

1) It shall be unlawful for any person:

(a) To alter or misrepresent the outcome of a game or other event on which wages have been made after the outcome is arrived at but before it is revealed to the player.

(b) 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;

(c) To aid anyone in the acquisition of such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome;

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

(e) To knowingly entice or induce another to participate in gaming conducted or operated in violation of the provisions of this Title with the intent that the other person play or participate in that gambling game;

(f) 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.

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

h) 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, varying the pull of the handle of a slot machine, with knowledge of that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game.

**P. Use of Device for Calculating Probabilities**

It shall be unlawful for any person patronizing a gaming enterprise located within the exterior boundaries of the Reservation to use, or possess with the intent to use, any device to assist:

- 1) In projecting the outcome of the game;
- 2) In keeping track of the cards played;
- 3) In analyzing the probability of the occurrence of an event relating to the game; or
- 4) In analyzing the strategy for playing or betting to be used in the game.

**Q. Use of counterfeit or unapproved chips or tokens or unlawful coins or devices; possession of certain devices, equipment, products or materials.**

- 1) It shall be unlawful for any licensed person,

enterprise, employee or other person to use counterfeit chips in a game regulated pursuant to this Title.

2) It shall be unlawful for any person, playing or using any game regulated pursuant to this Title which is designed to be played with, received or operated using chips or tokens approved by the Commission or by lawful coin of the United States:

(a) To knowingly use chips or tokens other than those approved by the Commission or lawful coin, legal tender of the United States, or to use coin not of the same denomination as the coin intended to be used in that gambling game; or

(b) To use any device or means to violate the provisions of the Compact of this Title.

3) It shall be unlawful for any person, not a duly authorized employee of a gaming enterprise located within the exterior boundaries of the Reservation acting in furtherance of his or her employment with the gaming enterprise, to have on his or her person or in his or her possession or off the premises any device intended to be used to violate the provisions of this Title or the Compact.

4) It shall be unlawful for any person, not a duly authorized employee of the gaming enterprise acting in furtherance of his or her employment within the Gaming Facility, to have on his or her person or in his or her possession or off the premises any key or device demonstrated to have been designed for the purpose of and suitable for opening, entering or effecting the operation of any game regulated pursuant to this Title, drop box or any electronic or mechanical device connected thereto or for moving money or other contents therefrom.

5) It shall be unlawful for any person to have on his or her person or in his or her possession any paraphernalia for manufacturing slugs.

6) Possession paraphernalia for manufacturing slugs which

includes possession of more than one device, piece of equipment, product or material described in this Section shall permit, in any action against the possessor resulting from such possession, a rebuttable inference that the possessor thereof intended to use them for the purpose of cheating.

**R. Cheating**

It shall be unlawful to manufacture, sell or distribute any cards, chips, dice, game or device intended to be used to violate any provision of this title or Compact.

**S. Unlawful manufacture, sale, distribution, marking, altering or modification of equipment and devices associated with gaming; unlawful instruction**

1) It shall be unlawful to manufacture, sell or distribute any cards, chips, dice, game or device intended to be used to violate any provision of this Title or the Compact.

2) It shall be unlawful to mark, alter or otherwise modify any gaming equipment in a manner that:

(a) Affects the normal criteria of random selection or gaming device, as defined in the Compact, affecting the operation of a game or which determines the outcome of a game.

(b) Alters the normal criteria of random selection affecting the operation of a game or which determines the outcome of a game.

3) It shall be unlawful for any person to instruct another in cheating or in the use of any device for that purpose, with the knowledge or intent that the information or its use so conveyed may be employed to violate any provision of this Title or the Compact.

**T. Penalties**

1) Any person who violates any provision of this section shall be punished to the maximum extent allowable by community, federal and state law.

2) Any person or persons who attempts, or two or more

persons who conspire, to violate any provision of this Section, shall each be punished by imposing the penalty provided in T, 1) of this Section for the completed crime, whether or not he or she personally played any gambling game or used any prohibited device.

**U. Unlawful dissemination of information concerning racing; exemptions; penalty.**

1) It shall be unlawful for any person to furnish or disseminate any information in regard to racing or races, from any point within the State to any point outside the State, by telephone, telegraph, teletype, radio or any signaling devices, with the intention that the information is to be used to induce betting or wagering on the result of the race or races, or with the intention that the information is to be used to decide the result of any bet or wage made upon the race or races.

2) This Section does not prohibit:

(a) A newspaper of general circulation from printing and disseminating news concerning races that are to be run or the results of races that have been run; or

(b) The furnishing or dissemination of information concerning wagers made in an off-track pari-mutuel system of wagering authorized under this Title or the Compact.

**V. Detention and questioning of persons suspected of violating Sections, limitations on liability; posting of notice**

1) Authorities who question any person in the gaming enterprise suspected of violating any of the provisions of this Title or the Compact or this Section shall not be criminally or civilly liable;

(a) On account of such questioning; or

(b) For reporting to the Commission, the State Gaming Agency, federal or state regulatory authorities, or law enforcement

authorities the identity of the person suspected of the violation.

2) Any regulatory or law enforcement authorities who have probable cause for believing that there has been a violation of this Title in a gaming enterprise located within the exterior boundaries of the Reservation by any person may take that person into custody and detention in the gaming enterprise in a reasonable manner and for a reasonable length of time.

3) Such taking into custody and detention shall not render the Authority criminally or civilly liable unless it is established by clear and convincing evidence that the custody and detention were unreasonable under all the circumstances.

4) There must be displayed in a conspicuous place in the gaming enterprise a notice in boldface type which is clearly legible in substantially this form:

Agents of the Yavapai-Apache Gaming Commission or the State Gaming Agency, or any Authority who has probable cause for believing that a person has violated any provision of the Yavapai-Apache Nation Gaming Ordinance, Section 10, Subsection O thru W prohibiting cheating in gaming may detain that person in the Gaming Facility.

**W. Disposition of evidence seized by agent of the Tribal Gaming Agency or the State Gaming Agency.**

1) After the final adjudication of a complaint involving a violation of this Title or the Compact, or of any other complaint involving the seizure of evidence by an agent of the Commission or the State Gaming Agency, a court of competent jurisdiction may enter an appropriate order disposing of all physical evidence pertaining to the complaint, whether or not the evidence was introduced as an exhibit.

2) Except as otherwise provided herein, evidence seized by an agent of the Commission or the State Gaming Agency related to the investigation which does not result in a complaint charging a violation of the law and evidence for which an order of disposition is not entered pursuant hereto must be disposed of as follows:

(a) The Commission shall notify by certified mail

each potential claimant of the evidence that he or she has thirty days following receipt of notice within which to file a written claim with the Commission for return of the evidence.

(b) If more than one person files a claim for evidence:

aa) The claimants may agree among themselves as to how they wish to divide the evidence, subject to approval of the Commission;

bb) The claimants may agree to submit the matter to binding arbitration or any claimant may institute legal proceedings before the Tribal Court to determine the proper disposition of the evidence. The Commission shall return the evidence to the claimants in accordance with any agreement approved by the Commission, final judgment or award made pursuant to the provisions of this Section.

3) A person to whom property is returned by the Commission pursuant to this Section shall execute such documents as are required by the Commission to defend, hold harmless, indemnify and release the Commission from any liability arising from the delivery of the property to the claimant.

4) If no claim is submitted, the Commission shall deposit all money with the Nation and may use all other property for any lawful purpose. The Commission may dispose of any property which cannot be used for any lawful purpose in any reasonable manner.

#### **Section 11. Enforcement; Jurisdiction; Subpoenas.**

A. Civil Remedies. Except as otherwise provided in this Gaming Ordinance, any Person authorized to enforce this Gaming Ordinance, may bring a civil action in the Tribal Court against any Person who violates this Gaming Ordinance or engages in an activity or activities prohibited herein and recover monetary damages, attorney fees, injunctive relief, and/or any other relief that is just and equitable under the circumstances from the Tribal

Court. The Tribal Court may order a Person who commits an intentional or willful violation to pay punitive damages, which shall be assessed in an amount not to exceed three (3) times the actual damages, or one thousand dollars (\$1,000.00), whichever is greater. The Tribal Court may order a civil penalty not to exceed five thousand dollars (\$5,000.00) for each day that a violation occurs and for each separate violation. For good and sufficient cause found, the Tribal Court may exclude from the Reservation any Person who engages in an activity or activities in violation of this Gaming Ordinance to the extent such exclusion is not inconsistent with the laws of the Nation. Any Person who violates this Gaming Ordinance, or whose employees or agents in the course of their employment or agency violate this Gaming Ordinance, may have the right to engage in business on the Reservation suspended or terminated. Nothing in this Gaming Ordinance shall be construed to authorize or require the exercise of criminal jurisdiction over non-Indians except to the extent allowed by any applicable present or future Act of Congress or any applicable federal court decision.

B. Tribal Court Jurisdiction. Except as otherwise provided in this Gaming Ordinance, the Tribal Court shall have exclusive jurisdiction over all matters concerning the administration and enforcement of this Gaming Ordinance; provided, however, that nothing in this Gaming Ordinance is intended nor shall it be interpreted to preclude prosecution in federal court pursuant to the Indian Gaming Regulatory Act, as may be amended from time to time, or any regulations promulgated thereunder, or any other applicable federal or tribal law.

C. Enforcement of Commission Subpoenas. If a Person subpoenaed by the Commission to attend or to produce books, accounts, records, or other documents in any investigation or hearing conducted by the Commission fails to obey the command of the subpoena without reasonable cause, or if a Person in attendance at any hearing or investigation refuses without lawful cause to be examined, to answer a legal and pertinent question, or to exhibit any book, account, record, or other document when ordered to do so by the representative



of the Commission conducting such investigation or hearing, the Commission may apply to the Tribal Court for an order returnable in not less than five (5) nor more than ten (10) days directing the Person to show cause why he or she should not comply with such subpoena or order. The Tribal Court may execute that authority necessary to enforce its and the Commission's orders consistent with applicable law. For purposes of this Gaming Ordinance, no Person shall be excused from testifying or producing any books, accounts, records, or other documents in any investigation or hearing on the ground that such testimony or documentary evidence may tend to incriminate him or her, if the Commission or the Tribal Court agree in writing that such Person shall not be prosecuted, punished, or subjected to any penalty or forfeiture resulting from such testimony or production, provided that no Person shall be exempt from prosecution or punishment for any act of perjury committed by him or her under a grant of immunity under this Subsection.

**Section 12. Severability.** In the event that any provision in this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

**Section 13. Effective Date.**

This Gaming Ordinance shall be effective as of \_\_\_\_\_, 1993.

**CERTIFICATION**

I, the undersigned, duly elected Chairman of the Yavapai-Nation do hereby certify that the foregoing Gaming Ordinance was duly adopted by a quorum of \_\_\_\_\_ members of the Yavapai-Apache Tribal Council by a vote of \_\_\_\_\_ for and \_\_\_\_\_ against, with \_\_\_\_\_ abstaining, at a duly called meeting of the Tribal Council on the \_\_\_\_\_ day \_\_\_\_\_, 1993.

YAVAPAI-APACHE NATION

By \_\_\_\_\_  
Theodore Smith, Sr., Chairman

**APPENDIX C**

**SECURITY AND SURVEILLANCE REQUIREMENTS**

**TRIBAL/STATE COMPACT BETWEEN  
THE YAVAPAI-APACHE NATION  
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 as part of a network.
  - (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 Gaming Facility:

**(1) Overall views of the Gaming Device area where Gaming Devices operated as part of a network are in operation.** Each Gaming Device operated as part of a network 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) Views of patrons, spectators and inspectors, with sufficient clarity to permit identification thereof in the area in which Gaming Devices operated as part of a network are in operation;**

**(D) Equipment in Gaming Facility Surveillance Offices.** Gaming 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.**

**(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 Gaming Facility a room or rooms specifically utilized to monitor and record activities as required under this Appendix. 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) Floorplan. 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 floorplan 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 of 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 in accordance with Section 7(a) of this Compact.

(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. With respect to Gaming Facilities already in operation at the time this Compact is approved, the Gaming Facility operator shall submit such written surveillance plan within thirty (30) days after the Compact is approved.

(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 Gaming 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 Gaming Devices may be placed in operation. The Gaming Facility operator must submit any change to the surveillance system 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 nongaming hours.** Security surveillance will be required during nongaming hours as follows:

(1) **Cleanup and removal time.** At any time cleanup operations or money removal is being conducted in the Gaming 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.

**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 her delegated authority, has approved the Yavapai-Apache Nation and State of Arizona Gaming Compact of 1993, which was enacted on June 24, 1993.

**DATES:** This action is effective August 18, 1993.

**FOR FURTHER INFORMATION CONTACT:** Hilda Manuel, Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, DC 20240, (202) 219-4066.

Dated: August 11, 1993.

**Ada E. Deer,**

*Assistant Secretary—Indian Affairs.*

[FR Doc. 93-19930 Filed 8-17-93; 8:45 am]

**BILLING CODE 4310-01-M**