TRIBAL-STATE COMPACT

BETWEEN

THE STATE OF CALIFORNIA

AND

THE BIG SANDY RANCHERIA

OF WESTERN MONO INDIANS

OF CALIFORNIA

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TRIBAL-STATE COMPACT
BETWEEN THE STATE OF CALIFORNIA AND THE BIG SANDY RANCHERIA OF WESTERN MONO INDIANS OF CALIFORNIA

The Big Sandy Rancheria of Western Mono Indians of California (Tribe), a federally recognized Indian Tribe (Tribe), and the State of California (State) enter into this Tribal-State Gaming Compact Between the State of California and the Big Sandy Rancheria of Western Mono Indians of California (Compact) pursuant to the Indian Gaming Regulatory Act of 1988 (IGRA).

PREAMBLE

WHEREAS, in 1999, the Tribe and the State entered into the Tribal-State Compact between the State of California and the Big Sandy Band of Western Mono Indians (1999 Compact), which enabled the Tribe, through revenues generated by its gaming operation, to improve the governance, environment, education, health, safety, and general welfare of its citizens, to promote a strong tribal government and self-sufficiency, and to provide essential government services to its citizens; and

WHEREAS, the State and the Tribe agree that all terms of this Compact are intended to be binding and enforceable.

NOW, THEREFORE, the Tribe and the State agree as set forth herein:

SECTION 1.0. PURPOSES AND OBJECTIVES.

The terms of this Compact are designed and intended to:

(a) Evidence the goodwill and cooperation of the Tribe and the State in fostering a mutually respectful government-to-government relationship that will serve the mutual interests of the parties.

(b) Develop, enhance, and implement a means of regulating Class III Gaming on the Tribe's Indian Lands to ensure that the Class III Gaming is conducted fairly and honestly in accordance with IGRA.

(c) Promote tribal economic development and self-sufficiency, and generate jobs and revenues to support the Tribe's government and its governmental services and programs.

(d) Promote ethical practices in conjunction with Class III Gaming, through the licensing and control of persons and entities employed in, or providing goods and services to, the Gaming Operation, protect against the presence or participation of persons whose criminal backgrounds, reputations, character, or associations make them unsuitable for participation in gaming, thereby maintaining a high level of integrity in tribal government gaming, and protect the patrons and employees of the Gaming Operation and Gaming Facility.

SECTION 2.0. DEFINITIONS.

Sec. 2.1. "Applicable Codes" means the Big Sandy Rancheria Gaming Operation Building and Safety Code Ordinance, which shall be no less stringent than the standards of the California Building Standards Code and the California Public Safety Code applicable to the County, as set forth in titles 19 and 24 of the California Code of Regulations as those regulations may be amended during the term of this Compact, including, but not limited to, codes for building, electrical, energy, mechanical, plumbing, fire, and safety.

Sec. 2.2. "Applicant" means an individual or entity that applies for a tribal gaming license or State determination of suitability.

Sec. 2.3. "Association" means an association of California tribal and state gaming regulators, the membership of which comprises up to two (2) representatives from each tribal gaming agency of those tribes with whom the State has a Class III Gaming compact or Secretarial procedures prescribed by the Secretary of the Department of the Interior pursuant to 25 U.S.C. § 2710(d)(7)(B)(vii) under IGRA, and up to two (2) delegates each from the California Department of Justice, Bureau of Gambling Control and the California Gambling Control Commission.

Sec. 2.4. "Class III Gaming" means the forms of class III gaming defined as such in 25 U.S.C. § 2703(8) and by the regulations of the National Indian Gaming Commission.

Sec. 2.5. "Commission" means the California Gambling Control Commission, or any successor agency of the State.

Sec. 2.6. "Compact" means this Tribal-State Compact Between the State of California and the Big Sandy Rancheria of Western Mono Indians of California.

Sec. 2.7. "County" means the County of Fresno, California, a political subdivision of the State.

Sec. 2.8. "Financial Source" means any person or entity who, directly or indirectly, extends financing in connection with the Tribe's Gaming Facility.

Sec. 2.9. "Gaming Activity" or "Gaming Activities" means the Class III Gaming activities authorized under this Compact.

Sec. 2.10. "Gaming Device" means any slot machine within the meaning of article IV, section 19, subdivision (f) of the California Constitution. For purposes of calculating the number of Gaming Devices, each player station or terminal on which a game is played constitutes a separate Gaming Device, irrespective of whether it is part of an interconnected system to such terminals or stations. "Gaming Device" includes, but is not limited to, video poker, but does not include electronic, computer, or other technological aids that qualify as class II gaming (as defined under IGRA).

Sec. 2.11. "Gaming Employee" means any natural person who is employed by the Gaming Operation and who: (i) conducts, operates, maintains, repairs, accounts for, or assists in the conduct of any Gaming Activities, or is in any way responsible for supervising such Gaming Activities or persons who conduct, operate, maintain, repair, account for, assist, or supervise any such Gaming Activities, (ii) is in a category under federal or tribal gaming law requiring licensing, or (iii) is a person whose employment duties require or authorize access to restricted areas of the Gaming Facility that are not open to the public. The definition of Gaming Employee does not include members or employees of the Tribal Gaming Agency.

Sec. 2.12. "Gaming Facility" or "Facility" means the buildings or structures in which Class III Gaming, as authorized by this Compact, is conducted.

Sec. 2.13. "Gaming Operation" means the business enterprise that offers and operates Gaming Activities, but does not include the Tribe's governmental or other business activities unrelated to the operation of the Gaming Facility.

Sec. 2.14. "Gaming Ordinance" means a tribal ordinance or resolution duly authorizing the conduct of Gaming Activities on the Tribe's Indian Lands in California and approved under IGRA.

Sec. 2.15. "Gaming Resources" means any goods or services provided or used in connection with Gaming Activities, whether exclusively or otherwise, including, but not limited to, equipment, furniture, Gaming Devices and ancillary equipment, implements of Gaming Activities such as playing cards, furniture designed primarily for Gaming Activities, maintenance or security equipment and services, and Class III Gaming management or consulting services. "Gaming Resources" does not include professional accounting and legal services.

Sec. 2.16. "Gaming Resource Supplier" means any person or entity who, directly or indirectly, does, or is deemed likely to, manufacture, distribute, supply, vend, lease, purvey, or otherwise provide, to the Gaming Operation or Gaming Facility at least twenty-five thousand dollars ($25,000) in Gaming Resources in any twelve (12)-month period, or who, directly or indirectly, receives, or is deemed likely to receive, in connection with the Gaming Operation or Gaming Facility, at least twenty-five thousand dollars ($25,000) in any consecutive twelve (12)-month period, provided that the Tribal Gaming Agency may exclude a purveyor of equipment or furniture that is not specifically designed for, and is distributed generally for use other than in connection with, Gaming Activities, if but for the purveyance, the purveyor is not otherwise a Gaming Resource Supplier as defined herein, the compensation received by the purveyor is not grossly disproportionate to the value of the goods or services provided, and the purveyor is not otherwise a person who exercises a significant influence over the Gaming Operation.

Sec. 2.17. "IGRA" means the Indian Gaming Regulatory Act of 1988 (18 U.S.C. §§ 1166-1168, 25 U.S.C. §§ 2701-2721), and any amendments thereto, as interpreted by all regulations promulgated thereunder.

Sec. 2.18. "Indian Lands" has the same meaning as defined by 25 U.S.C. § 2703(4)(A) and (B) of IGRA.

Sec. 2.19. "Limited-Gaming Tribe" means a federally recognized tribe in California that has a Class III Gaming compact with the State or Secretarial Procedures but is operating and has operated fewer than a combined total of three hundred fifty (350) Gaming Devices in all of its gaming operations wherever located, or does not have a Class III Gaming compact or Secretarial Procedures but is engaged in class II gaming, whether within or without California, during the immediately preceding three hundred sixty-five (365) days.

Sec. 2.20. "Management Contractor" means any Gaming Resource Supplier with whom the Tribe has contracted for the management of any Gaming Activity

or Gaming Facility, including, but not limited to, any person who would be regarded as a management contractor under IGRA.

Sec. 2.21. "Net Win" means drop from Gaming Devices, plus the redemption value of expired tickets, less fills, less free play, less payouts, less that portion of the Gaming Operation's payments to a third-party wide-area progressive jackpot system provider that is contributed only to the progressive jackpot amount.

Sec. 2.22. "NIGC" means the National Indian Gaming Commission.

Sec. 2.23. "Non-Gaming Tribe" means a federally recognized tribe in California, with or without a tribal-state Class III Gaming compact or Secretarial Procedures that, as of the date of the last distribution to such tribe from the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund, and during the immediately preceding three hundred sixty-five (365) days, has not engaged in, or offered, class II gaming or Class III Gaming in any location whether within or without California.

Sec. 2.24. "Revenue Sharing Trust Fund" means the fund created by the Legislature and administered by the State Gaming Agency that, as limited trustee, is not a trustee subject to the duties and liabilities contained in the California Probate Code, similar state or federal statutes, rules or regulations, or under California state or federal common law or equitable principles, and has no duties, responsibilities, or obligations hereunder except for the receipt, deposit, and distribution of monies paid by gaming tribes for the benefit of Non-Gaming Tribes and Limited-Gaming Tribes.

Sec. 2.25. "Secretarial Procedures" means procedures prescribed by the Secretary of the U.S. Department of the Interior pursuant to 25 U.S.C. § 2710(d)(7)(B)(vii) of IGRA.

Sec. 2.26. "State" means the State of California or an authorized official or agency thereof.

Sec. 2.27. "State Designated Agency" means the entity or entities designated or to be designated by the Governor to exercise rights and fulfill responsibilities established by this Compact.

Sec. 2.28. "State Gaming Agency" means the entities authorized to investigate, approve, regulate and license gaming pursuant to the Gambling Control Act (chapter 5 (commencing with section 19800) of division 8 of the

California Business and Professions Code), or any successor statutory scheme, and any entity or entities in which that authority may hereafter be vested.

Sec. 2.29. "Tribal Chair" or "Tribal Chairperson" means the person duly elected or selected under the Tribe's Constitution or governing documents, customs, or traditions to perform the duties specified therein, including serving as the Tribe's official representative.

Sec. 2.30. "Tribal Gaming Agency" means the person, agency, board, committee, commission, or council designated under tribal law, including, but not limited to, an intertribal gaming regulatory agency approved to fulfill those functions by the NIGC, primarily responsible for carrying out the Tribe's regulatory responsibilities under IGRA and the Tribe's Gaming Ordinance. No person employed in, or in connection with, the management, supervision, or conduct of any Gaming Activity may be a member or employee of the Tribal Gaming Agency.

Sec. 2.31. "Tribal Nation Grant Fund" means the fund created by the Legislature to make discretionary distribution of funds to Non-Gaming Tribes and Limited-Gaming Tribes upon application of such tribes for purposes related to effective self-governance, self-determined community, and economic development.

Sec. 2.32. "Tribe" means the Big Sandy Rancheria of Western Mono Indians of California, a federally-recognized Indian tribe, or an authorized official or agency thereof.

SECTION 3.0. SCOPE OF CLASS III GAMING AUTHORIZED.

(a) The Tribe is hereby authorized and permitted to operate only the following Gaming Activities under the terms and conditions set forth in the Compact:

(1) Gaming Devices.

(2) Any banking or percentage card game.

(3) Any devices or games that are authorized under state law to the California State Lottery, provided that the Tribe will not offer such games through use of the Internet, unless any other person,

organization, or entity in the State is permitted to do so under state and federal law.

(4) Off-track wagering on horse races at a satellite wagering facility pursuant to the requirements in the document attached hereto as Appendix C.

(b) Nothing herein shall be construed to authorize or permit the operation of any Class III Gaming that the State lacks the power to authorize or permit under article IV, section 19, subdivision (f), of the California Constitution.

(c) The Tribe shall not engage in Class III Gaming that is not expressly authorized in this Compact.

(d) Nothing herein shall be construed to preclude the Tribe from offering class I or class II gaming.

SECTION 4.0. AUTHORIZED NUMBER OF GAMING DEVICES, LOCATION OF GAMING FACILITIES AND COST REIMBURSEMENT.

Sec. 4.1. Authorized Number of Gaming Devices.

The Tribe is entitled to operate up to a total of three thousand (3,000) Gaming Devices pursuant to the conditions set forth in section 3.0 and sections 4.2 through and including section 5.2.

Sec. 4.2. Authorized Gaming Facilities.

The Tribe may establish and operate not more than two (2) Gaming Facilities and engage in Class III Gaming only on eligible Indian Lands as of the execution date of this Compact as described in and represented on the maps in Appendix A and on which Class III Gaming may lawfully be conducted by the Tribe under IGRA. The Tribe may combine and operate in each Gaming Facility any forms and kinds of gaming permitted under law, except to the extent limited under IGRA and any applicable regulations adopted pursuant thereto, this Compact, or the Tribe's Gaming Ordinance.

Sec. 4.3. Special Distribution Fund.

(a) The Tribe shall pay to the State for deposit into the Special Distribution Fund created by the Legislature on a pro rata basis the State's 25 U.S.C. § 2710(d)(3)(C) costs incurred for purposes consistent with IGRA, including for the performance of all its duties under this Compact, the administration and implementation of tribal-state Class III Gaming compacts and Secretarial procedures prescribed by the Secretary of the Department of the Interior pursuant to 25 U.S.C. § 2710(d)(7)(B)(vii) (Secretarial Procedures), and funding for the Office of Problem Gambling, as determined by the monies appropriated in the annual Budget Act each fiscal year to carry out those purposes (Appropriation). The Appropriation and the maximum number of Gaming Devices operated by all federally recognized tribes in California pursuant to tribal-state Class III Gaming compacts or Secretarial Procedures determined to be in operation during the previous State fiscal year shall be reported annually by the State Gaming Agency to the Tribe on or before December 15. The term "operated" or "operation" as used in this Compact in relation to Gaming Devices describes each and every Gaming Device available to patrons (including slot tournament contestants) for play at any given time.

(b) The Tribe's pro rata share of the State's 25 U.S.C. § 2710(d)(3)(C) costs in any given year this Compact is in effect shall be calculated by the following equation:

The maximum number of Gaming Devices operated in the Tribe's Gaming Facility(ies) during the previous State fiscal year as determined by the State Gaming Agency, divided by the maximum number of Gaming Devices operated by all federally recognized tribes in California pursuant to tribal-state Class III Gaming compacts or Secretarial Procedures during the previous State fiscal year, multiplied by the Appropriation, equals the Tribe's pro rata share.

(1) Beginning the first full quarter after the effective date of this Compact, the Tribe shall pay its pro rata share to the State Gaming Agency for deposit into the Indian Gaming Special Distribution Fund established by the Legislature (Special Distribution Fund). The payment shall be made in four (4)

equal quarterly installments due on the thirtieth (30th) day following the end of each calendar quarter (i.e., by April 30 for the first quarter, July 30 for the second quarter, October 30 for the third quarter, and January 30 for the fourth quarter); provided, however, that in the event this Compact becomes effective during a calendar quarter, payment shall be prorated for the number of days remaining in that initial quarter, in addition to any remaining full quarters in the first calendar year of operation to obtain a full year of full quarterly payments of the Tribe's pro rata share specified above. A payment year will run from January through December. If any portion of the Tribe's quarterly pro rata share payment or payment pursuant to section 4.3, subdivision (a) or section 5.2, is overdue, the Tribe shall pay to the State for purposes of deposit into the Special Distribution Fund, the amount overdue plus interest accrued thereon at the rate of one percent (1%) per month or the maximum rate permitted by state law for delinquent payments owed to the State, whichever is less. All quarterly payments shall be accompanied by the report specified in section 4.6.

(2) If the Tribe objects to the State's determination of the Tribe's pro rata share, or to the amount of the Appropriation as including matters not consistent with IGRA or this Compact, the matter shall be resolved in accordance with the dispute resolution provisions of section 13.0. Any State determination of the Tribe's adjusted pro rata share challenged by the Tribe shall govern and must be paid by the Tribe to the State when due, and the Tribe's payment is a condition precedent to invoking the section 13.0 dispute resolution provisions. In the resolution of any challenge to the Appropriation used to determine the Tribe's pro rata share based on the inclusion of matters not consistent with IGRA or this Compact, the Legislature's inclusion of the costs at issue in the Appropriation alone will not be sufficient to establish that the costs are consistent with IGRA or this Compact.

(3) Only for purposes of calculating the Tribe's annual pro rata share under section 4.3, subdivision (b), any increase in the Appropriation for the current year shall be capped at an amount equal to five percent (5%) from the Appropriation used to

calculate the Tribe's pro rata share in the immediately preceding year. The Appropriation, so capped, will be used to calculate the Tribe's pro rata share under the equation set forth in section 4.3, subdivision (b). The Tribe and the State anticipate and intend that annual increases in the Tribe's pro rata share payment will be significantly less than five percent (5%) annually on an ongoing basis, and that this five percent (5%) cap will be rarely, if ever, implemented.

(4) The foregoing payments have been negotiated between the Tribe and the State to reimburse the State for the State's costs of regulating and mitigating certain impacts of tribal Gaming Activities.

(c) Notwithstanding subdivisions (a) and (b), the calculation of the Tribe's payments into the Special Distribution Fund shall remain consistent with the methodology specified in section 5.1 of the 1999 Compact, until such time as the Tribe is operating three hundred fifty (350) or more Gaming Devices. The Tribe shall make these payments in accordance with the schedule established in section 5.1, subdivision (a) of the 1999 Compact, without modification, unless explicitly amended in writing by all relevant parties. Upon the commencement of operation of three hundred fifty (350) or more Gaming Devices, the Tribe shall promptly notify the State and the Commission in writing. The calculation of the Tribe's payments into the Special Distribution Fund shall thereafter be made in accordance with subdivisions (a) and (b).

Sec. 4.4. Use of Special Distribution Funds.

Revenue placed in the Special Distribution Fund shall be available for appropriation by the Legislature for the purposes specified in California Government Code section 12012.85.

Sec. 4.5. Effective Date of Contribution Provisions.

The provisions of this Compact establishing or superseding existing revenue sharing obligations of the Tribe will take effect on the first day of the first month following the effective date of this Compact.

Sec. 4.6. Quarterly Payments and Quarterly Contribution Report.

(a) (1) The Tribe shall remit quarterly to the State Gaming Agency (i) the payments described in section 4.3, for deposit into the Special Distribution Fund and (ii) the payments described in section 5.2, for deposit into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund. The payments shall be due thirty (30) days following the end of each calendar quarter (i.e., by April 30 for the first quarter, July 30 for the second quarter, October 30 for the third quarter, and January 30 for the fourth quarter).

(2) If the Gaming Activities authorized by this Compact commence during a calendar quarter, the first payment shall be due on the thirtieth (30th) day following the end of the first full quarter of the Gaming Activities and shall cover the period from the commencement of the Gaming Activities to the end of the first full calendar quarter.

(3) All quarterly payments shall be accompanied by the certification specified in subdivisions (b) and (c), as appropriate.

(b) At the time each quarterly payment is due, regardless of whether any monies are owed, the Tribe shall submit to the State Gaming Agency a certification (the "Quarterly Contribution Report") prepared by the chief financial officer of the Gaming Operation that specifies the following:

(1) The calculation of the maximum number of Gaming Devices operated in the Gaming Facility for each day during the given quarter;

(2) If the Tribe is operating one thousand, two hundred and one (1,201) or more Gaming Devices, the Net Win calculation reflecting the quarterly Net Win from the operation of all Gaming Devices in the Facility;

(3) The amount due, if any, pursuant to section 4.3;

(4) The calculation of the amount due pursuant to section 5.2; and

(5) The total amount of the quarterly payment paid to the State.

(c) If the Tribe is operating one thousand, two hundred and one (1,201) or more Gaming Devices, the following shall also be included in the Quarterly Contribution Report:

(1) At any time after the fourth quarter, but in no event later than April 30 of the following calendar year, the Tribe shall provide to the State Gaming Agency an audited annual certification of its Net Win calculation from the operation of Gaming Devices. The audit shall be conducted in accordance with generally accepted auditing standards, as applied to audits for the gaming industry, by an independent certified public accountant (auditor) who is not employed by the Tribe, the Tribal Gaming Agency, the Management Contractor, or the Gaming Operation, is only otherwise retained by any of these entities to conduct regulatory audits or independent audits of the Gaming Operation, and has no financial interest in any of these entities.

(2) If the audit shows that the Tribe made an overpayment to the State based on its Net Win during the year covered by the audit, the Tribe's next quarterly payment may be reduced by the amount of the overage. If the audit shows that the Tribe made an underpayment to the State during the year covered by the audit, the Tribe's next quarterly payment shall be increased by the amount of the underpayment.

(3) The State Gaming Agency shall be authorized to confer with the auditor at the conclusion of the audit process and to review all of the auditor's final work papers and documentation relating to the audit. The Tribal Gaming Agency shall be notified of and provided the opportunity to participate in and attend any such conference or document review.

(d) The State Gaming Agency may audit the calculations in subdivision (b) and, if applicable, the Net Win calculations specified in the audit provided pursuant to subdivision (c). The State Gaming Agency shall have access to all records deemed necessary by the State Gaming Agency to verify the calculations in subdivision (b) and, if applicable, the Net Win calculations in subdivision (c), including access to the

Gaming Device accounting systems and server-based systems and software, and to the data contained therein on a read-only basis. If the State Gaming Agency determines that the Net Win is understated or the deductions overstated, it will promptly notify the Tribe and provide a copy of the State Gaming Agency's audit. The Tribe within twenty (20) days will either accept the difference or provide a reconciliation satisfactory to the State Gaming Agency. If the Tribe accepts the difference or does not provide a reconciliation satisfactory to the State Gaming Agency, the Tribe must immediately pay the amount of the resulting deficiency, plus accrued interest thereon at the rate of one percent (1%) per month or the maximum rate permitted by state law for delinquent payments owed to the State, whichever is less. If the Tribe does not accept the difference but does not provide a reconciliation satisfactory to the State Gaming Agency, the Tribe, once payment is made, may commence dispute resolution under section 13.0. The parties expressly acknowledge that the Quarterly Contribution Reports provided for in subdivisions (b) and (c) are subject to section 8.4, subdivision (h).

(e) Notwithstanding anything to the contrary in section 13.0, any failure of the Tribe to remit the payments referenced in subdivision (a), will entitle the State to immediately seek injunctive relief in federal or state court, at the State's election, to compel the payments, plus accrued interest thereon at the rate of one percent (1%) per month, or the maximum rate permitted by state law for delinquent payments owed to the State, whichever is less; and further, the Tribe expressly consents to be sued in either court and hereby waives its sovereign immunity and its right to assert sovereign immunity against the State in any such proceeding. Failure to make timely payment shall be deemed a material breach of this Compact.

(f) If any portion of the payments under subdivision (a) of this section is overdue after the State Gaming Agency has provided written notice to the Tribe of the overdue amount with an opportunity to cure of at least fifteen (15) business days, and if more than sixty (60) calendar days have passed from the due date, then the Tribe shall cease operating all of its Gaming Devices until full payment is made.

SECTION 5.0. REVENUE SHARING WITH NON-GAMING AND LIMITED-GAMING TRIBES.

Sec. 5.1. Administration of the Revenue Sharing Trust Fund and the Tribal Nation Grant Fund.

(a) The State Gaming Agency shall allocate and disburse the Revenue Sharing Trust Fund monies on a quarterly basis as specified by the Legislature. Each eligible Non-Gaming Tribe and Limited-Gaming Tribe in the state shall receive the sum of one million one hundred thousand dollars ($1,100,000) per year from the Revenue Sharing Trust Fund. In the event there are insufficient monies in the Revenue Sharing Trust Fund to pay one million one hundred thousand dollars ($1,100,000) per year to each eligible Non-Gaming Tribe and Limited-Gaming Tribe, any available monies in that fund shall be distributed to eligible Non-Gaming Tribes and Limited-Gaming Tribes in equal shares. Monies deposited into the Revenue Sharing Trust Fund in excess of the amount necessary to distribute one million one hundred thousand dollars ($1,100,000) to each eligible Non-Gaming Tribe and Limited-Gaming Tribe shall remain in the Revenue Sharing Trust Fund available for disbursement in future years, or deposited into the Tribal Nation Grant Fund, but shall not be used for purposes other than the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund. In no event shall the State's general fund be obligated to make up any shortfall in the Revenue Sharing Trust Fund or to pay any unpaid claims connected therewith and, notwithstanding any provision of law, including any existing provision of law implementing the State Gaming Agency's obligations related to the Revenue Sharing Trust Fund under any Class III Gaming compact or Secretarial Procedures. Non-Gaming Tribes and Limited-Gaming Tribes are not third-party beneficiaries of this Compact and shall have no right to seek any judicial order compelling disbursement of any Revenue Sharing Trust Fund monies to them.

(b) The fiscal operations of the Tribal Nation Grant Fund are administered by the State Gaming Agency, which acts as a limited trustee, not subject to the duties and liabilities contained in the California Probate Code, similar California or federal statutes, rules or regulations, or under California or federal common law or equitable principles, and with no duties or obligations hereunder except for the

receipt, deposit, and distribution of monies paid by gaming tribes for the benefit of Non-Gaming Tribes and Limited-Gaming Tribes, as those payments are directed by a State Designated Agency. The State Gaming Agency shall allocate and disburse the Tribal Nation Grant Fund monies as specified by a State Designated Agency to one (1) or more eligible Non-Gaming Tribe or Limited-Gaming Tribe upon a competitive application basis. The State Gaming Agency shall exercise no discretion or control over, nor bear any responsibility arising from, the recipient tribes' use or disbursement of Tribal Nation Grant Fund monies. The State Designated Agency shall perform any necessary audits to ensure that monies awarded to any tribe are being used in accordance with their disbursement in relation to the purpose of the Tribal Nation Grant Fund. In no event shall the State's general fund be obligated to pay any monies into the Tribal Nation Grant Fund or to pay any unpaid claims connected therewith and, notwithstanding any provision of law, including any existing provision of law implementing the State's obligations related to the Tribal Nation Grant Fund or the Revenue Sharing Trust Fund under any Class III Gaming compact or Secretarial Procedures. Non-Gaming Tribes and Limited-Gaming Tribes shall have no right to seek any judicial order compelling disbursement of any Tribal Nation Grant Fund monies to them.

Sec. 5.2. Payments to the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund.

(a) If the Tribe operates up to one thousand, two hundred (1,200) Gaming Devices, the Tribe shall have no obligation to pay any amount to the State Gaming Agency for deposit into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund.

(b) If the Tribe operates one thousand, two hundred one (1,201) Gaming Devices or more at any time in a given calendar year, it shall thereafter, including that calendar year, pay to the State Gaming Agency, for deposit into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund, the following amounts:

(1) Two percent (2.0%) of the Net Win generated from the operation of all Gaming Devices in excess of three hundred and

forty-nine (349) Gaming Devices but less than two thousand and one (2,001) Gaming Devices;

(2) Two and one-half percent (2.5%) of the Net Win generated from the operation of all Gaming Devices in excess of two thousand (2,000) Gaming Devices but less than two thousand five hundred and one (2,501) Gaming Devices; and

(3) Four percent (4.0%) of the Net Win generated from the operation of all Gaming Devices in excess of two thousand five hundred (2,500) and up to three thousand (3,000) Gaming Devices.

(c) The Tribe shall remit the payments referenced in subdivision (b) to the State Gaming Agency in quarterly payments, which payments shall be due thirty (30) days following the end of each calendar quarter (i.e., by April 30 for the first quarter, July 30 for the second quarter, October 30 for the third quarter, and January 30 for the fourth quarter).

(d) The quarterly payments required in subdivision (b) shall be determined by first determining the total number of all Gaming Devices operated by the Tribe during a given quarter (Quarterly Device Base). The Quarterly Device Base is equal to the sum total of the maximum number of Gaming Devices in operation for each day of the calendar quarter, divided by the number of days in the calendar quarter that the Gaming Operation operates any Gaming Devices during the given calendar quarter.

(e) If any portion of the payments under subdivision (b) is overdue after the State Gaming Agency has provided written notice to the Tribe of the overdue amount with an opportunity to cure of at least fifteen (15) business days, and if more than sixty (60) calendar days have passed from the due date, then the Tribe shall cease operating all of its Gaming Devices until full payment is made.

(f) All payments made by the Tribe to the State Gaming Agency pursuant to subdivision (b) shall be deposited into the Revenue Sharing Trust Fund and the Tribal Nation Grant Fund in a proportion to be determined by the Legislature, provided that if there are insufficient monies in the Revenue Sharing Trust Fund to pay one million one

hundred thousand dollars ($1,100,000) per year to each eligible Non-Gaming Tribe and Limited-Gaming Tribe, the State Gaming Agency shall deposit all payments into the Revenue Sharing Trust Fund.

SECTION 6.0. LICENSING.

Sec. 6.1. Gaming Ordinance and Regulations.

(a) All Gaming Activities conducted under this Compact shall, at a minimum, comply (i) with a Gaming Ordinance duly adopted by the Tribe and approved in accordance with IGRA, (ii) with all applicable rules, regulations, procedures, specifications, and standards duly adopted by the NIGC, the Tribal Gaming Agency, and the State Gaming Agency, and (iii) with the provisions of this Compact.

(b) The Tribal Gaming Agency shall make available for inspection by the State Gaming Agency upon request a copy of the Gaming Ordinance, and all of its rules, regulations, procedures, specifications, ordinances, or standards applicable to the Gaming Activities and Gaming Operation, but excluding the Tribal Gaming Agency's internal policies and procedures.

(c) The Tribal Gaming Agency agrees to make the following documents available to Gaming Operation patrons or their legal representatives, through electronic means or otherwise in its discretion: the Gaming Ordinance; the rules of each Class III Gaming game operated by the Tribe, to the extent that such rules are not available for display on the Gaming Device or the table on which the game is played; rules governing promotions; rules governing points and the player's club program, including rules regarding confidentiality of the player information, if any; the tort liability procedures specified in section 12.6; and the policies adopted by the Tribal Gaming Agency concerning patron disputes pursuant to section 10.0. To the extent that any of the foregoing are available to the public on a website maintained by an agency of the State of California or the federal government, or by the Tribe or the Gaming Operation, the Tribal Gaming Agency may refer requesters to such website(s) for the requested information.

Sec. 6.2. Tribal Ownership, Management, and Control of Gaming Operation.

The Gaming Operation authorized under this Compact shall be owned solely by the Tribe as required by IGRA.

Sec. 6.3. Prohibitions Regarding Minors.

(a) The Tribe shall not permit persons under the age of eighteen (18) years to participate in Gaming Activities, or to loiter in the vicinity of Gaming Activities, but may pass through an area of the Gaming Facility in which Gaming Activities are being conducted while en-route to an area of the Gaming Facility in which no Gaming Activities are being conducted.

(b) If the Tribe permits the consumption of alcoholic beverages in the Gaming Facility, the Tribe shall prohibit persons under the age of twenty-one (21) years from being present in any area of the Gaming Facility in which alcoholic beverages may be consumed, except to the extent permitted by the Gaming Facility's license issued by the California Department of Alcoholic Beverage Control.

Sec. 6.4. Licensing Requirements and Procedures.

Sec. 6.4.1. Summary of Licensing Principles.

The Tribe agrees to require a tribal gaming license for all persons who are required to be licensed or to submit to a background investigation under IGRA or the Tribe's Gaming Ordinance, and any others required to be licensed under this Compact, including, without limitation, all Gaming Employees, Gaming Resource Suppliers, Financial Sources not otherwise exempt from licensing requirements, and any other person having a significant influence over the Gaming Operation. Each person or entity must be licensed by the Tribal Gaming Agency and, except as otherwise provided, cannot have had any determination of suitability denied or revoked by the State Gaming Agency. The parties intend that the licensing process provided for in this Compact shall involve mutual cooperation between the Tribal Gaming Agency and the State Gaming Agency, as more particularly described herein. A tribal gaming license issued by the Tribal Gaming Agency and any favorable suitability determination made by the State Gaming Agency prior to the effective date of this Compact in accordance with the licensing and suitability rules in section 6.0 of the 1999 Compact shall remain in effect until their expiration,

provided that the tribal gaming license or the suitability determination were issued before this Compact takes effect and the relevant expiration period is not more than two (2) years after the issuance of the tribal gaming license, after which time any further license renewal shall comply with the terms and requirements herein.

Sec. 6.4.2. Gaming Facility.

(a) The Gaming Facility authorized by this Compact shall be licensed by the Tribal Gaming Agency in conformity with the requirements of this Compact, the Gaming Ordinance, IGRA, and any applicable regulations adopted by the NIGC. The license shall be reviewed and renewed every two (2) years thereafter. Verification that this requirement has been met shall be provided by the Tribe to the State by sending, either electronically or by hard copy, a copy of the initial license and each renewal license to the State Gaming Agency within thirty (30) days after issuance of the license or renewal. The Tribal Gaming Agency's certification that the Gaming Facility is being operated in conformity with these requirements shall be posted in a conspicuous and public place in the Gaming Facility at all times.

(b) To assure the protection of the health and safety of all Gaming Facility patrons, guests, and employees, the Tribe shall adopt, or has already adopted, and shall maintain throughout the term of this Compact, an ordinance that requires any Gaming Facility construction to meet or exceed the standards in the Applicable Codes. The Gaming Facility and construction, expansion, improvement, modification, or renovation will also comply with Title III of the federal Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq. Notwithstanding the foregoing, the Tribe need not comply with any standard that specifically applies in name or in fact only to tribal facilities. Without limiting the rights of the State under this section, reference to Applicable Codes is not intended to confer code enforcement jurisdiction upon the State or its political subdivisions. For purposes of this section, the terms "building official" and "code enforcement agency" as used in the Applicable Codes mean the Tribal Gaming Agency or such other tribal government agency or official as may be designated by the Tribe's law. The building official and code enforcement agency designated by the Tribe's law may exercise authority granted to such individuals and entities as specified within the Applicable Codes with regard to the Gaming Facility. The Tribe's

agreement that any construction, expansion, improvement, modification, or renovation of its Gaming Facility will comply with Title III of the federal Americans with Disabilities Act of 1990 shall not be deemed, construed, or interpreted as creating a private right of action against the Gaming Operation or the Tribe, or a waiver of the Tribe's or its Gaming Operation's sovereign immunity in connection with such a private right of action.

(c) To assure compliance with the Applicable Codes, the Tribe shall require inspections and, in connection therewith, employ for any Gaming Facility construction, qualified plan checkers or review firms. To be qualified as a plan checker or review firm for purposes of this Compact, plan checkers or review firms must be either California licensed architects, engineers or International Code Council (ICC)-certified building inspectors with relevant experience, or California licensed architects, engineers, or ICC-certified building inspectors on the list, if any, of approved plan checkers or review firms provided by the city or County in which the Gaming Facility is located. The Tribe shall also employ qualified project inspectors. To be qualified as a project inspector for purposes of this Compact, project inspectors must possess the same qualifications and certifications as project inspectors utilized by the County in which the Gaming Facility is located. The same persons or firms may serve as both plan checkers/reviewers and project inspectors. The plan checkers, review firms, and project inspectors shall hereinafter be referred to as "Inspector(s)." The Tribe agrees to report any failure to comply with the Applicable Codes to the Tribal Gaming Agency and the State Gaming Agency, in writing and within thirty (30) days after the discovery thereof. The Tribe agrees to correct any Gaming Facility condition noted in the inspections that does not meet the Applicable Codes (hereinafter "deficiency").

(d) The Tribe shall cause the design and construction calculations, and plans and specifications that form the basis for the Gaming Facility construction (the "Design and Building Plans") to be available to the State Gaming Agency for inspection and copying by the State Gaming Agency upon its request.

(e) In the event that material changes to a structural detail of the Design and Building Plans will result from contract change orders or any

other changes in the Design and Building Plans, such changes shall be reviewed by the qualified plan checker or review firm and field verified by the Inspectors for compliance with the Applicable Codes.

(f) The Tribe shall maintain during construction all structural contract change orders for inspection and copying by the State Gaming Agency upon its request.

(g) The Tribe shall maintain the Design and Building Plans depicting the as-built Gaming Facility, unless and until superseded by subsequent as-built Design and Building Plans upon which the superseding construction was based, and shall make the same available to the State Gaming Agency for inspection and copying by the State Gaming Agency upon its request, for the term of this Compact.

(h) The Tribe agrees that the Tribal Gaming Agency shall forward the Inspectors' certification to the State Gaming Agency within ten (10) days following final certification by the Inspectors that the Gaming Facility meets the Applicable Codes. If the State Gaming Agency objects to that certification, the Tribe shall make a good-faith effort to address the State's concerns, but if the State Gaming Agency does not withdraw its objection, the matter will be resolved in accordance with the dispute resolution provisions of section 13.0.

(i) Any failure to remedy within a reasonable period of time any material and timely raised deficiency shall be deemed a violation of this Compact, and furthermore, any deficiency that poses a serious or significant risk to the health or safety of any occupant shall be grounds for the State Gaming Agency, pursuant to court order, to prohibit occupancy of the affected portion of the Gaming Facility until the deficiency is corrected. The Tribe shall not allow occupancy of any portion of the Gaming Facility that is constructed or maintained in a manner that endangers the health or safety of the occupants.

(j) The Tribe shall take all necessary steps to reasonably ensure the ongoing availability of sufficient and qualified fire suppression services to the Gaming Facility, and to reasonably ensure that the Gaming Facility satisfies all requirements of the Applicable Codes as set forth below:

(1) Not less than sixty (60) days after the effective date of the Compact, and not less than biennially thereafter, and upon at least ten (10) days' notice to the State Gaming Agency, the Gaming Facility shall be inspected, at the Tribe's expense, by a qualified tribal inspection official, if any, who is responsible for fire protection on the Tribe's lands, or by an independent fire inspector certified by the ICC or the National Fire Protection Association for purposes of certifying that the Gaming Facility meets a reasonable standard of fire safety and life safety; provided that, if a qualified fire inspector has certified within twelve (12) months prior to the effective date of this Compact that the Gaming Facility meets a reasonable standard of fire and life safety, the Tribe may satisfy this requirement by submitting a copy of that certification to the State, and thereafter having the Gaming Facility inspected biennially in accordance with this subdivision.

(2) The State Gaming Agency shall be entitled to designate and have a qualified representative or representatives, which may include local fire suppression entities, present during the inspection. During such inspection, the State Gaming Agency's representative(s) shall specify to the tribal inspection official or independent fire inspector any condition that the representative(s) reasonably believes would preclude certification of the Gaming Facility as meeting a reasonable standard of fire safety and life safety.

(3) The tribal inspection official or independent fire inspector shall issue to the Tribal Gaming Agency and the State Gaming Agency a report on the inspection within fifteen (15) days after its completion, or within thirty (30) days after commencement of the inspection, whichever first occurs, identifying any deficiency in fire safety or life safety at the Gaming Facility or in the ability of the Tribe to meet reasonably expected fire suppression needs of the Gaming Facility.

(4) Within twenty-one (21) days after the issuance of the report, the tribal inspection official or independent fire inspector shall also require and approve a specific plan for correcting deficiencies, whether in fire safety or life safety, at the Gaming Facility or in

the Tribe's ability to meet the reasonably expected fire suppression needs of the Gaming Facility, including deficiencies identified by the State Gaming Agency's representative. A copy of the report and plan of correction shall be delivered to the State Gaming Agency and the Tribal Gaming Agency. If the independent fire inspector disagrees with an allegation of deficiency by the State Gaming Agency's representative, the Tribe may take the matter to dispute resolution pursuant to section 13.0.

(5) Immediately upon correction of all deficiencies identified in the report and plan of correction, the tribal inspection official or independent fire inspector shall certify in writing to the Tribal Gaming Agency and the State Gaming Agency that all deficiencies have been corrected.

(6) Any failure to correct all deficiencies identified in the report and plan of correction within a reasonable period of time shall be a violation of this Compact, and any failure to promptly correct those deficiencies that pose a serious or significant risk to the health or safety of any occupants shall be a violation of this Compact and grounds for the State Gaming Agency to prohibit, pursuant to court order, occupancy of the affected portion of the Gaming Facility until the deficiency is corrected.

(7) Consistent with its obligation to ensure the safety of those within the Gaming Facility, the Tribe shall promptly notify the State Gaming Agency of circumstances that it reasonably believes pose a serious or significant risk to the health or safety of any occupants, and take prompt action to correct such circumstances. Any failure to remedy within a reasonable period of time any serious or significant risk to health or safety shall be deemed a violation of this Compact, and furthermore, any circumstance that poses a serious or significant risk to the health or safety of any occupant shall be grounds for the State Gaming Agency to seek a court order prohibiting occupancy of the affected portion of the Gaming Facility until the deficiency is corrected.

(k) Notwithstanding anything in section 6.4.2 or elsewhere in this Compact, any construction of any Gaming Facility that has taken place or has commenced prior to the effective date of this Compact shall be subject to the Gaming Facility license rules in section 6.4.2 of the 1999 Compact, provided that the Gaming Facility was previously approved under section 6.4.2 of that compact.

Sec. 6.4.3. Gaming Employees.

(a) Every Gaming Employee shall obtain and thereafter maintain current, a valid tribal gaming license, and except as provided in subdivision (b), shall obtain, and thereafter maintain current, a State Gaming Agency determination of suitability, which license and determination shall be subject to biennial renewal; provided that in accordance with section 6.4.9, those persons may be employed on a temporary or conditional basis pending completion of the licensing process and the State Gaming Agency determination of suitability.

(b) The State Gaming Agency and the Tribal Gaming Agency have identified those Gaming Employees who, in addition to a tribal gaming license, must also apply for, obtain, and maintain, a finding of suitability from the State Gaming Agency. The general principles governing those Gaming Employees who must have both a tribal gaming license and a finding of suitability from the State Gaming Agency are set forth below, and are consistent with agreements between the State Gaming Agency and the Tribal Gaming Agency in effect at the time of execution of this Compact as provided in section 6.5.6, subdivision (a) of the 1999 Compact. These agreements shall remain in effect unless and until they are updated or amended through consultations between the State Gaming Agency and the Tribal Gaming Agency. In furtherance of these agreements, position titles of those Gaming Employees who must have both a tribal gaming license and a finding of suitability from the State Gaming Agency have been placed on what is referred to as the Compact Key Employee Position List. If no such Compact Key Employee Position List is in effect at the time of execution of this Compact, one shall be negotiated between the State Gaming Agency and the Tribal Gaming Agency. A Gaming Employee who is required to obtain and maintain current a valid tribal gaming license under subdivision (a) is not required to

obtain or maintain a State Gaming Agency determination of suitability if any of the following applies:

(1) A Gaming Employee shall not be placed on the Compact Key Employee Position List if the employee's position title is subject to the licensing requirement of subdivision (a) solely because he or she is a person who conducts, operates, maintains, repairs, or assists in Gaming Activities, provided that this exception shall not apply if he or she supervises Gaming Activities or persons who conduct, operate, maintain, repair, assist, account for or supervise any such Gaming Activity, and is empowered to make discretionary decisions affecting the conduct or operation of the Gaming Activities.

(2) A Gaming Employee shall not be placed on the Compact Key Employee Position List if the employee's position title is subject to the licensing requirement of subdivision (a) solely because he or she is a person whose employment duties require or authorize access to areas of the Gaming Facility that are not open to the public, provided that this exception shall not apply if he or she supervises Gaming Activities or persons who conduct, operate, maintain, repair, assist, account for or supervise any such Gaming Activity, and is empowered to make discretionary decisions affecting the conduct or operation of the Gaming Activities.

(3) Members and employees of the Tribal Gaming Agency are not subject to a finding of suitability from the State Gaming Agency.

(4) The State Gaming Agency and the Tribal Gaming Agency agree to exempt a Gaming Employee from the requirement to obtain or maintain current a State Gaming Agency determination of suitability.

(c) For those position titles not included on the Compact Key Employee Position List, notwithstanding subdivision (b), where the State Gaming Agency reasonably believes that licensure of an individual may pose a threat to gaming integrity or public safety, the State Gaming Agency may notify the Tribal Gaming Agency of its concerns

and request a meeting with the Tribal Gaming Agency to review the tribal license application, and all materials and information received by the Tribal Gaming Agency in connection therewith, for any person whom the Tribal Gaming Agency has licensed, or proposes to license, as a Gaming Employee. Upon that request, the Tribal Gaming Agency shall meet with the State Gaming Agency and discuss such application and materials. At that meeting, the State Gaming Agency shall explain to the Tribal Gaming Agency the basis for its concern and provide the Tribal Gaming Agency with sufficient evidence, proof, documentation or other information to allow the Tribal Gaming Agency to make an informed decision and to enable the Tribal Gaming Agency to understand why the State Gaming Agency reasonably believes that the licensure may pose a potential threat to public safety or a threat to the integrity of the Gaming Facility or Operation. If after the meeting the State Gaming Agency continues to believe that the person would be unsuitable for issuance of a license or permit for a similar level of employment in a gambling establishment subject to the jurisdiction of the State, it shall notify the Tribal Gaming Agency of its determination and the reasons supporting its determination. The Tribal Gaming Agency shall thereafter conduct a hearing in accordance with section 6.5.5 to reconsider issuance of the tribal gaming license and shall notify the State Gaming Agency of its determination immediately upon issuing its decision following conclusion of the hearing, which decision shall be final unless the State Gaming Agency requests within thirty (30) days of such notification that the decision be made the subject of dispute resolution pursuant to section 13.0. This subdivision (c) is intended and anticipated to be exercised infrequently, if at all, on a case-by-case basis. Nothing in this subdivision shall require the Tribal Gaming Agency to disclose or discuss any materials or information that are otherwise prohibited or restricted from disclosure under applicable federal law or regulation.

(d) Notwithstanding a determination of unsuitability by the State Gaming Agency, the Tribal Gaming Agency may, in its discretion, decline to revoke a tribal gaming license issued to a person employed by the Tribe pursuant to subdivisions (f) or (g).

(e) Except as provided in subdivisions (f) and (g), the Tribe shall not employ, or continue to employ, any person whose application to the

State Gaming Agency for a determination of suitability or for a renewal of such a determination has been denied or withdrawn, or whose determination of suitability has expired without renewal.

(f) Notwithstanding subdivisions (b) and (c), the Tribe may employ or retain in its employ a person whose application for a determination of suitability, or for a renewal of such a determination, has been denied by the State Gaming Agency, if:

(1) The person holds a valid and current license issued by the Tribal Gaming Agency that must be renewed at least biennially;

(2) The denial of the application by the State Gaming Agency is based solely on activities, conduct, or associations that antedate the filing of the person's initial application to the State Gaming Agency for a determination of suitability;

(3) The person is not an employee or agent of any other gaming operation; and

(4) The person has been in the continuous employ of the Tribe as a Gaming Employee since the effective date of the Tribe's 1999 Compact.

(g) Notwithstanding subdivisions (b) and (c), the Tribe may employ or retain in its employ a person whose application for a determination of suitability, or for a renewal of such a determination, has been denied by the State Gaming Agency, if the person is an enrolled member of the Tribe (defined for purposes of this subdivision as a person who is a member of the Tribe as determined by the Tribe's law), and if:

(1) The enrolled member of the Tribe holds a valid and current license issued by the Tribal Gaming Agency that must be renewed at least biennially; and

(2) The enrolled member of the Tribe is not an employee or agent of any other gaming operation; and

(3) Either subdivision (g)(3)(A) or (B) applies:

(A) The enrolled member was eligible for an exemption under section 6.4.4, subdivision (d) of the 1999 Compact, was granted a license by the Tribal Gaming Agency while the 1999 Compact was in effect, and the State Gaming Agency's denial of the application is based solely on activities, conduct, or associations that antedate the Tribal Gaming Agency's first grant of a license to the tribal member pursuant to the 1999 Compact; or

(B) The denial of the application by the State Gaming Agency is based solely on activities, conduct, or associations that antedate by at least five (5) years, the filing of the enrolled member of the Tribe's initial application to the State Gaming Agency for a determination of suitability.

(h) At any time after five (5) years following the effective date of this Compact, either the Tribal Gaming Agency or the State Gaming Agency may request to amend the position titles identified on the Compact Key Employee Position List.

(i) This section shall not apply to members of the Tribal Gaming Agency.

Sec. 6.4.4. Gaming Resource Suppliers.

(a) Every Gaming Resource Supplier shall be licensed by the Tribal Gaming Agency prior to the sale, lease, or distribution, or further sale, lease, or distribution, of any Gaming Resources to or in connection with the Tribe's Gaming Operation or Facility. Unless the Tribal Gaming Agency licenses the Gaming Resource Supplier pursuant to subdivision (d), the Gaming Resource Supplier shall also apply to the State Gaming Agency for a determination of suitability at least thirty (30) days prior to the sale, lease, or distribution, or further sale, lease, or distribution, of any Gaming Resources to or in connection with the Tribe's Gaming Operation or Facility, except that for Gaming Devices the period specified under section 7.1, subdivision (a)(1) shall govern. The period during which a determination of suitability as a Gaming Resource Supplier is valid expires on the earlier of (i) the date two (2) years following the date on which the determination is issued, unless a different expiration date is specified by the State Gaming Agency, or

(ii) the date of its revocation by the State Gaming Agency. If the State Gaming Agency denies or revokes a determination of suitability, the State Gaming Agency shall notify the Tribal Gaming Agency within seven (7) days of taking such action, and the Gaming Resource Supplier shall no longer be authorized to perform any work within or provide any goods or services to, in support of, or in connection with the Tribe's Gaming Operation or Gaming Facility thirty (30) days from the date on which the State Gaming Agency's decision takes effect under State law. The license and determination of suitability shall be reviewed at least every two (2) years for continuing compliance. In connection with such a review, the Tribal Gaming Agency shall require the Gaming Resource Supplier to update all information provided in the previous application. For purposes of section 6.5.2, such a review shall be deemed to constitute an application for renewal.

(b) Any agreement between the Tribe and a Gaming Resource Supplier shall be deemed to include a provision for its termination without further liability on the part of the Tribe, except for the bona fide payment of all outstanding sums (exclusive of interest) owed as of, or payment for services or materials received up to, the date of termination, upon revocation or nonrenewal of the Gaming Resource Supplier's license by the Tribal Gaming Agency based on a determination of unsuitability by the State Gaming Agency. Except as set forth above, the Tribe shall not enter into, or continue to make payments to a Gaming Resource Supplier pursuant to, any contract or agreement for the provision of Gaming Resources with any person or entity whose application to the State Gaming Agency for a determination of suitability has been denied or revoked or whose determination of suitability has expired without renewal.

(c) Notwithstanding subdivision (a), the Tribal Gaming Agency may license a Management Contractor for a period of no more than seven (7) years, but the Management Contractor must still apply for renewal of a determination of suitability by the State Gaming Agency at least every two (2) years and where the State Gaming Agency denies or revokes a determination of suitability, the State Gaming Agency shall notify the Tribal Gaming Agency within seven (7) days of taking such action, and the Management Contractor shall no longer be authorized to perform any work within or provide any goods or services to, in

support of, or in connection with the Tribe's Gaming Operation thirty (30) days from the date on which the State Gaming Agency's decision takes effect under State law. Except where the State Gaming Agency has determined a Management Contractor to be unsuitable, nothing in this subdivision shall be construed to bar the Tribal Gaming Agency from issuing additional new licenses to the same Management Contractor following the expiration of a seven (7)-year license.

(d) The Tribal Gaming Agency may elect to license a person or entity as a Gaming Resource Supplier without requiring it to apply to the State Gaming Agency for a determination of suitability under subdivision (a) if the Gaming Resource Supplier has already been issued a determination of suitability that is then valid. In that case, and within seven (7) days of the issuance of the license, the Tribal Gaming Agency shall notify the State Gaming Agency of its licensure of the person or entity as a Gaming Resource Supplier, and shall identify in its notification the State Gaming Agency determination of suitability on which the Tribal Gaming Agency has relied in proceeding under this subdivision (d). Subject to the Tribal Gaming Agency's compliance with the requirements of this subdivision, a Gaming Resource Supplier licensed under this subdivision may, during and only during the period in which the determination of suitability remains valid, engage in the sale, lease, or distribution of Gaming Resources to or in connection with the Tribe's Gaming Operation or Facility, without applying to the State Gaming Agency for a determination of suitability. The issuance of a license under this subdivision is in all cases subject to any later determination by the State Gaming Agency that the Gaming Resource Supplier is not suitable or to a tribal gaming license suspension or revocation pursuant to section 6.5.1, and does not extend the time during which the determination of suitability relied on by the Tribal Gaming Agency is valid. In the event the State Gaming Agency later revokes the determination of suitability relied on by the Tribal Gaming Agency, the State Gaming Agency shall notify the Tribal Gaming Agency of such revocation. Nothing in this subdivision affects the obligations of the Tribal Gaming Agency, or of the Gaming Resource Supplier, under sections 6.5.2 and 6.5.6 of this Compact.

(e) Except where subdivision (d) applies, within twenty-one (21) days of the issuance of a license to a Gaming Resource Supplier, the Tribal

Gaming Agency shall provide to the State Gaming Agency a copy of the license, summary reports, including any information detrimental to an applicant, of the background investigations conducted by the Tribal Gaming Agency and written statements by the Applicant.

Sec. 6.4.5. Financial Sources.

(a) Subject to subdivision (h) of this section, each Financial Source shall be licensed by the Tribal Gaming Agency prior to the Financial Source extending financing in connection with the Tribe's Gaming Facility or Gaming Operation.

(b) Every Financial Source required to be licensed by the Tribal Gaming Agency shall, contemporaneously with the filing of its tribal license application, apply to the State Gaming Agency for a determination of suitability. In the event the State Gaming Agency denies or revokes the determination of suitability, the Tribal Gaming Agency shall deny or revoke the Financial Source's license within thirty (30) days of receiving notice of denial or revocation from the State Gaming Agency.

(c) A license issued under this section shall be reviewed at least every two (2) years for continuing compliance. In connection with that review, the Tribal Gaming Agency shall require the Financial Source to update all information provided in the Financial Source's previous application. For purposes of this section, that review shall be deemed to constitute an application for renewal.

(d) Any agreement between the Tribe and a Financial Source shall include, and shall be deemed to include, a provision for its termination without further liability on the part of the Tribe, except for the bona fide repayment of all outstanding sums (exclusive of interest) owed as of the date of termination upon revocation or non-renewal of the Financial Source's license by the Tribal Gaming Agency based on a determination of unsuitability by the State Gaming Agency. The Tribe shall not enter into, or continue to make payments to a Financial Source pursuant to, any contract or agreement for the provision of financing with any person or entity whose application to the State Gaming Agency for a determination of suitability has been denied or

whose determination of suitability has been revoked or has expired without renewal.

(e) A Gaming Resource Supplier who provides financing exclusively in connection with the provision, sale, or lease of Gaming Resources obtained from that Gaming Resource Supplier shall be licensed solely in accordance with the licensing procedures applicable, if at all, to Gaming Resource Suppliers, and need not be separately licensed as a Financial Source under this section.

(f) The Tribal Gaming Agency may elect to license a person or entity as a Financial Source without requiring it to apply to the State Gaming Agency for a determination of suitability under subdivision (b) if the Financial Source has already been issued a determination of suitability that is then valid. In that case, the Tribal Gaming Agency shall immediately notify the State Gaming Agency of its licensure of the person or entity as a Financial Source, and shall identify in its notification the State Gaming Agency determination of suitability on which the Tribal Gaming Agency has relied in proceeding under this subdivision (f). Subject to the Tribal Gaming Agency's compliance with the requirements of this subdivision, a Financial Source licensed under this subdivision may, during and only during the period in which the determination of suitability remains valid, engage in financing in connection with the Tribe's Gaming Operation or Facility, without applying to the State Gaming Agency for a determination of suitability. The issuance of a license under this subdivision is in all cases subject to any later determination by the State Gaming Agency that the Financial Source is not suitable or to a tribal gaming license suspension or revocation pursuant to section 6.5.1, and does not extend the time during which the determination of suitability relied on by the Tribal Gaming Agency is valid. A license issued under this subdivision expires upon the revocation or expiration of the determination of suitability relied on by the Tribal Gaming Agency. Nothing in this subdivision affects the obligations of the Tribal Gaming Agency, or of the Financial Source, under section 6.5.2 and section 6.5.6 of this Compact.

(g) Except where subdivision (f) applies, within twenty-one (21) days of the issuance of a license to a Financial Source, the Tribal Gaming Agency shall transmit to the State Gaming Agency a copy of the

license and a copy of all tribal license application materials and information received by it from the Applicant which is not otherwise prohibited or restricted from disclosure under applicable federal law or regulation.

(h) (1) The Tribal Gaming Agency may, at its discretion, exclude from the licensing requirements of this section the following Financial Sources under the circumstances stated:

(A) Any federally-regulated or state-regulated bank, savings and loan association, or other federally- or state-regulated lending institution and any fund or other investment vehicle, including, without limitation, a bond indenture or syndicated loan, which is administered or managed by any such entity.

(B) An entity identified by the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-2, subdivision (f) (as in effect on the date the parties execute this Compact), when that entity is a Financial Source solely by reason of being (i) a purchaser or a holder of debt securities or other forms of indebtedness issued directly or indirectly by the Tribe for a Gaming Facility or for the Gaming Operation or (ii) the owner of a participation interest in any amount of indebtedness for which a Financial Source described in subdivision (h)(l)(A), or any fund or other investment vehicle which is administered or managed by any such Financial Source, is the creditor.

(C) Any investor who, alone or together with any person(s) controlling, controlled by or under common control with such investor, holds less than ten percent (10%) of all outstanding debt securities or other forms of indebtedness issued directly or indirectly by the Tribe for a Gaming Facility or for the Gaming Operation.

(D) Any agency of the federal government, or of a tribal, state or local government providing financing, together with any person purchasing any debt securities or other

forms of indebtedness of the agency to provide such financing.

(E) A real estate investment trust (as defined in 26 U.S.C. § 856(a)) which is publicly traded on a stock exchange, registered with the Securities and Exchange Commission, and subject to the regulatory oversight of the Securities and Exchange Commission.

(F) An entity or category of entities that the State Gaming Agency and the Tribal Gaming Agency jointly determine can be excluded from the licensing requirements of this section without posing a threat to the public interest or the integrity of the Gaming Operation.

(2) In any case where the Tribal Gaming Agency elects pursuant to subdivision (h)(1) to exclude a Financial Source from the licensing requirements of this section, the Tribal Gaming Agency shall give no less than thirty (30) days' notice thereof to the State Gaming Agency, and shall give the State Gaming Agency reasonable advance notice of any extension of financing by the Financial Source in connection with the Tribe's Gaming Operation or Facility, and upon request of the State Gaming Agency, shall provide it with sufficient documentation to support the Tribal Gaming Agency's exclusion of the Financial Source from the licensing requirements of this section. If the thirty (30)-day notice period required under this subdivision would have the potential to inhibit the ability of the Tribe to access financing by an excluded Financial Source, the Tribe may request a waiver of this notice period, which the State Gaming Agency shall have the authority to grant.

(3) The Tribal Gaming Agency and the State Gaming Agency shall work collaboratively to resolve any reasonable concerns regarding the initial or ongoing excludability of an individual or entity as a Financial Source. If the State Gaming Agency finds that an investigation of any Financial Source is warranted, the Financial Source shall be required to submit an application for a determination of suitability to the State Gaming Agency and

shall pay the costs and charges incurred in the investigation and processing of the application, in accordance with the provisions set forth in California Business and Professions Code sections 19867 and 19951. Any dispute between the Tribal Gaming Agency and the State Gaming Agency pertaining to the excludability of an individual or entity as a Financial Source shall be resolved by the dispute resolution provisions in section 13.0.

(4) The following are not Financial Sources for purposes of this section.

(A) An entity identified by the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-2, subdivision (h) (as in effect on the effective date of this Compact).

(B) A person or entity whose sole connection with a provision or extension of financing to the Tribe is to provide loan brokerage or debt servicing for a Financial Source at no cost to the Tribe or the Gaming Operation, provided that no portion of any financing provided is an extension of credit to the Tribe or the Gaming Operation by that person or entity.

(C) A person or entity that the State Gaming Agency has determined does not require licensure pursuant to any process the State Gaming Agency deems necessary due to the nature of financing services provided, the existence of current and effective federal or state agency oversight or licensure, attenuated interests of the person or entity as passive investors without the ability to exercise significant influence over the Gaming Operation, or other grounds that alleviate the need for licensure that, subject to its responsibilities under state law, the State Gaming Agency determines are appropriate.

(i) In recognition of changing financial circumstances, this section shall be subject to good-faith renegotiation by the Tribe and the State, upon the request of either party; provided that the renegotiation shall not

retroactively affect transactions that have already taken place where the Financial Source has been excluded or exempted from licensing requirements.

Sec. 6.4.6. Processing Tribal Gaming License Applications.

(a) Each Applicant for a tribal gaming license shall submit the completed application along with the required information and an application fee, if required, to the Tribal Gaming Agency in accordance with the rules and regulations of that agency.

(b) At a minimum, the Tribal Gaming Agency shall require submission and consideration of all information required under IGRA, including part 556.4 of title 25 of the Code of Federal Regulations, for licensing primary management officials and key employees.

(c) For Applicants that are business entities, these licensing provisions shall apply to the entity as well as: (i) each of its officers, limited liability company members, and directors; (ii) each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer, and general manager; (iii) each of its owners or partners, if an unincorporated business; (iv) each of its shareholders who owns more than ten percent (10%) of the shares of the corporation, if a corporation, or who has a direct controlling interest in the Applicant; and (v) each person or entity (other than a Financial Source that the Tribal Gaming Agency has determined does not require a license under section 6.4.5) that, alone or in combination with others, has provided financing in connection with any Gaming Operation or Class III Gaming authorized under this Compact, if that person or entity provided more than ten percent (10%) of either the start-up capital or the operating capital, or of a combination thereof, over a twelve (12)-month period. For purposes of this subdivision, where there is any commonality of the characteristics identified in this section 6.4.6, subdivision (c)(i) through (c)(v), inclusive, between any two (2) or more entities, those entities may be deemed to be a single entity. For purposes of this subdivision, a direct controlling interest in the Applicant referred to in subdivision (c)(iv) excludes any passive investor or anyone who has an indirect or only a financial interest and does not have the ability to control, manage, or direct the management decisions of the Applicant.

(d) Nothing herein precludes the Tribe or Tribal Gaming Agency from requiring more stringent licensing requirements.

Sec. 6.4.7. Suitability Standard Regarding Gaming Licenses.

(a) In reviewing an application for a tribal gaming license, and in addition to any standards set forth in the Gaming Ordinance, the Tribal Gaming Agency shall consider whether issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the license will undermine public trust that the Gaming Operation is free from criminal and dishonest elements and would be conducted honestly.

(b) A license may not be issued unless, based on all information and documents submitted, the Tribal Gaming Agency is satisfied that the Applicant, and in the case of an entity, each individual identified in section 6.4.6, subdivision (c), meets all of the following requirements:

(1) The person is of good character, honesty, and integrity.

(2) The person's prior activities, criminal record (if any), reputation, habits, and associations do not 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, methods, or activities in the conduct of gaming, or in the carrying on of the business and financial arrangements incidental thereto.

(3) The person is in all other respects qualified to be licensed as provided, and meets the criteria established in this Compact, IGRA, NIGC regulations, the Gaming Ordinance, and any other criteria adopted by the Tribal Gaming Agency or the Tribe; provided, however, an Applicant shall not be found to be unsuitable solely on the ground that the Applicant was an employee of a tribal gaming operation in California that was conducted prior to May 16, 2000.

Sec. 6.4.8. Background Investigations of Applicants.

(a) The Tribal Gaming Agency shall conduct or cause to be conducted all necessary background investigations reasonably required to determine

that the Applicant is qualified for a gaming license under the standards set forth in section 6.4.7, and to fulfill all applicable requirements for licensing under IGRA, NIGC regulations, the Gaming Ordinance, and this Compact. The Tribal Gaming Agency shall not issue a gaming license, other than a temporary license pursuant to section 6.4.9, until a determination is made that those qualifications have been met.

(b) In lieu of completing its own background investigation, and to the extent that doing so does not conflict with or violate IGRA or the Tribe's Gaming Ordinance, the Tribal Gaming Agency may contract with the State Gaming Agency for the conduct of background investigations, may rely on a State determination of suitability previously issued under a Class III Gaming compact or Secretarial Procedures involving another tribe and the State, or may rely on a State Gaming Agency license previously issued to the Applicant, to fulfill some or all of the Tribal Gaming Agency's background investigation obligations.

(c) If the Tribal Gaming Agency contracts with the State Gaming Agency for the conduct of background investigations, then an Applicant for a tribal gaming license shall be required to provide releases to the State Gaming Agency to make available to the Tribal Gaming Agency background information regarding the Applicant. The State Gaming Agency shall cooperate in furnishing to the Tribal Gaming Agency that information, unless doing so would violate California state or federal law, would violate any agreement the State Gaming Agency has with a source of the information other than the Applicant, or would impair or impede a criminal investigation, or unless the Tribal Gaming Agency cannot provide sufficient safeguards to assure the State Gaming Agency that the information will remain confidential.

(d) In lieu of obtaining summary criminal history information from the NIGC, the Tribal Gaming Agency may, pursuant to the provisions in subdivisions (d) through (j), obtain such information from the California Department of Justice. If the Tribe adopts an ordinance confirming that article 6 (commencing with section 11140) of chapter 1 of title 1 of part 4 of the California Penal Code is applicable to members, investigators, and staff of the Tribal Gaming Agency, and those members, investigators, and staff thereafter comply with that

ordinance, then, for purposes of carrying out its obligations under this section, the Tribal Gaming Agency shall be eligible to be considered an entity entitled to request and receive state summary criminal history information, within the meaning of subdivision (b)(13) of section 11105 of the California Penal Code.

(e) The information received shall be used by the Tribal Gaming Agency solely for the purpose for which it was requested and shall not be reproduced for secondary dissemination to any other employment or licensing agency. Additionally, any person intentionally disclosing information obtained from personal or confidential records maintained by a state agency or from records within a system of records maintained by a government agency may be subject to prosecution.

(f) For purposes of subdivision (d), the Tribal Gaming Agency shall submit to the California Department of Justice fingerprint images and related information required by the California Department of Justice of all Applicants, as defined by section 2.2, for the purposes of obtaining information as to the existence and content of a record of state or federal convictions and state or federal arrests and also information as to the existence and content of a record of state or federal arrests for which the California Department of Justice establishes that the person is free on bail or on his or her recognizance pending trial or appeal.

(g) When received, the California Department of Justice shall forward to the Federal Bureau of Investigation requests for federal summary criminal history information received pursuant to this section. The California Department of Justice shall review the information returned from the Federal Bureau of Investigation and compile and disseminate a response to the Tribal Gaming Agency.

(h) The California Department of Justice shall provide a state or federal level response to the Tribal Gaming Agency pursuant to California Penal Code section 11105, subdivision (p)(1).

(i) For persons described in subdivision (f), the Tribal Gaming Agency shall request from the California Department of Justice subsequent notification service, as provided pursuant to section 11105.2 of the California Penal Code.

(j) The California Department of Justice shall charge a fee sufficient to cover the cost of processing the request described in this section.

Sec. 6.4.9. Temporary Licensing.

(a) If the Applicant has completed a license application in a manner satisfactory to the Tribal Gaming Agency, and that agency has conducted a preliminary background investigation, and the investigation or other information held by that agency does not indicate that the Applicant has a criminal history or other information in his or her background that would either automatically disqualify the Applicant from obtaining a tribal gaming license or cause a reasonable person to investigate further before issuing a license, or that the Applicant is otherwise unsuitable for licensing, the Tribal Gaming Agency may issue a temporary tribal gaming license and may impose such specific conditions thereon pending completion of the Applicant's background investigation, as the Tribal Gaming Agency in its sole discretion shall determine.

(b) The Tribal Gaming Agency may require special fees to issue or maintain a temporary tribal gaming license.

(c) A temporary tribal gaming license shall remain in effect until suspended or revoked, or a final determination by the Tribal Gaming Agency is made on the application, or for a period of up to one (1) year, whichever comes first.

(d) At any time after issuance of a temporary tribal gaming license, the Tribal Gaming Agency shall or may, as the case may be, suspend or revoke it in accordance with the provisions of sections 6.5.1 or 6.5.5, and the State Gaming Agency may request suspension or revocation before making a determination of unsuitability.

(e) Nothing herein shall be construed to relieve the Tribe of any obligation under part 558 of title 25 of the Code of Federal Regulations.

Sec. 6.5. Tribal Gaming License Issuance.

Upon completion of the necessary background investigation, the Tribal Gaming Agency may issue a tribal gaming license on a conditional or

unconditional basis. Nothing herein shall create a property or other right of an Applicant in an opportunity to be licensed, or in a tribal gaming license itself, both of which shall be considered to be privileges granted to the Applicant in the sole discretion of the Tribal Gaming Agency.

Sec. 6.5.1. Denial, Suspension, or Revocation of Licenses.

(a) Any Applicant's application for a tribal gaming license may be denied, and any license issued may be revoked, if the Tribal Gaming Agency determines that the application is incomplete or deficient, or if the Applicant is determined to be unsuitable or otherwise unqualified for a tribal gaming license.

(b) Pending consideration of revocation, the Tribal Gaming Agency may suspend a tribal gaming license in accordance with section 6.5.5.

(c) All rights to notice and hearing shall be governed by tribal law. The Applicant shall be notified in writing of any hearing and given notice of any intent to suspend or revoke the tribal gaming license.

(d) Except as provided in subdivision (e), upon receipt of notice that the State Gaming Agency has determined that a person would be unsuitable for licensure in a gambling establishment subject to the jurisdiction of the State Gaming Agency, the Tribal Gaming Agency shall deny that person a tribal gaming license and promptly, and in no event more than sixty (60) days from the State Gaming Agency notification, revoke any tribal gaming license that has theretofore been issued to that person; provided that the Tribal Gaming Agency may, in its discretion, reissue a tribal gaming license to the person following entry of a final judgment reversing the determination of the State Gaming Agency in a proceeding between the Applicant and the State Gaming Agency in state court conducted pursuant to section 1085 or 1094.5 of the California Code of Civil Procedure, as provided by the California Gambling Control Act.

(e) Notwithstanding a determination of unsuitability by the State Gaming Agency, the Tribal Gaming Agency may, in its discretion, decline to revoke a tribal gaming license issued to a person employed by the Tribe pursuant to section 6.4.3, subdivision (f) or (g).

Sec. 6.5.2. Renewal of Licenses; Extensions; Further Investigation.

(a) Except as provided in section 6.4.4, subdivision (c), the term of a tribal gaming license shall not exceed two (2) years, and application for renewal of a license must be made prior to its expiration. Applicants for renewal of a tribal gaming license shall provide updated material, as requested, on the appropriate renewal forms, but, at the discretion of the Tribal Gaming Agency, may not be required to resubmit historical data previously submitted or that is otherwise available to the Tribal Gaming Agency. At the discretion of the Tribal Gaming Agency, an additional background investigation may be required at any time if the Tribal Gaming Agency determines the need for further information concerning the Applicant's continuing suitability or eligibility for a license.

(b) Prior to renewing a tribal gaming license for an Applicant for a position identified on the Compact Key Employee Position List, a Gaming Resource Supplier, or a Financial Source, the Tribal Gaming Agency shall deliver to the State Gaming Agency copies of all information and documents received in connection with the application for renewal of the tribal gaming license, which is not otherwise prohibited or restricted from disclosure under applicable federal law or regulation, for purposes of the State Gaming Agency's consideration of renewing its determination of suitability.

(c) For those Applicants for a position identified on the Compact Key Employee Position List who are currently employed by the Tribe pursuant to section 6.4.3, subdivision (f) or (g), after the State Gaming Agency receives the information required by subdivision (b) and informs the Tribal Gaming Agency that the employee still meets the requirements of section 6.4.3, subdivision (f) or (g), the Applicant shall not be subject to the State Gaming Agency's consideration of renewal of its determination of suitability.

Sec. 6.5.3. Identification Cards.

(a) The Tribal Gaming Agency shall require that all persons who are required to be licensed wear, in plain view at all times while in the Gaming Facility, identification badges issued by the Tribal Gaming Agency. The Tribal Gaming Agency may allow temporary exceptions

to this provision for the purposes of authorizing investigators who are actively investigating a matter within the Gaming Facility.

(b) Identification badges must display information, including, but not limited to, a photograph and an identification number that is adequate to enable agents of the Tribal Gaming Agency to readily identify the person and determine the validity and date of expiration of his or her license.

(c) The Tribe shall upon request provide the State Gaming Agency with the name, badge identification number (if any), and job title of all Gaming Employees. Such request by the State Gaming Agency shall not be made more than twice a year unless reasonably necessary to further a legitimate objective related to the administration and implementation of this section 6.0.

Sec. 6.5.4. Fees for Tribal Gaming License.

The fees for all tribal gaming licenses shall be set by the Tribal Gaming Agency.

Sec. 6.5.5. Summary Suspension of Tribal Gaming License.

The Tribal Gaming Agency may summarily suspend the tribal gaming license of any licensee if the Tribal Gaming Agency determines that the continued licensing of the person could constitute a threat to the public health or safety or may violate the Tribal Gaming Agency's licensing or other standards. The Tribal Gaming Agency shall notify the State Gaming Agency within seven (7) days of any such determination. Any right to notice or hearing in regard thereto shall be governed by tribal law.

Sec. 6.5.6. State Determination of Suitability Process.

(a) The Tribe agrees that the State has its own interests in ensuring that certain Applicants be found suitable. For those Applicants as to whom or which a determination of suitability is required, the Tribe agrees to direct the Tribal Gaming Agency to transmit to the State Gaming Agency the Applicant's completed license application within sixty (60) days of the Tribal Gaming Agency's finding of suitability. The Tribal Gaming Agency will provide the State Gaming Agency

with a notice of intent to license the Applicant, together with all of the following:

(1) A copy of all tribal license application materials and information received by the Tribal Gaming Agency from the Applicant that is not otherwise prohibited or restricted from disclosure under applicable federal law or regulation;

(2) An original, complete set of fingerprint impressions, rolled by a California state-certified fingerprint roller or by a person exempt from state certification pursuant to California Penal Code section 11102.1, subdivision (a)(2), and which may be on a fingerprint card or obtained and transmitted electronically;

(3) A current photograph; and

(4) Except to the extent waived by the State Gaming Agency, such releases of information, waivers, and other completed and executed forms as have been obtained by the Tribal Gaming Agency.

(b) Upon receipt of a written request from a Gaming Resource Supplier or a Financial Source for a determination of suitability, the State Gaming Agency shall transmit an application package to the Applicant to be completed and returned to the State Gaming Agency for purposes of allowing it to make a determination of suitability for licensure.

(c) Investigation and disposition of applications for a determination of suitability by the State Gaming Agency shall be governed entirely by California state law, and the State Gaming Agency shall determine whether the Applicant would be found suitable for licensure in a gambling establishment subject to the State Gaming Agency's jurisdiction. Additional information may be required from the Applicant by the State Gaming Agency to assist it in its background investigation, to the extent permitted under state law for licensure in a gambling establishment subject to the State Gaming Agency's jurisdiction.

(d) The Tribal Gaming Agency shall require a licensee to apply for renewal of a determination of suitability by the State Gaming Agency

at such time as the licensee applies for renewal of a tribal gaming license.

(e) Upon receipt of completed license or license renewal application information from the Applicant or the Tribal Gaming Agency, the State Gaming Agency may conduct a background investigation pursuant to state law to determine whether the Applicant is suitable to be licensed for association with Class III Gaming operations. The Tribal Gaming Agency agrees to provide to the State Gaming Agency summary reports, including any derogatory information, of the background investigations conducted by the Tribal Gaming Agency, and written statements by the Applicant. If further investigation of a Gaming Resource Supplier or a Financial Source is required to supplement the investigation conducted by the Tribal Gaming Agency, the Applicant will be required to pay the application fee charged by the State Gaming Agency pursuant to California Business and Professions Code section 19951, subdivision (a), but any deposit requested by the State Gaming Agency pursuant to section 19867 of that code shall take into account reports of the background investigation already conducted by the Tribal Gaming Agency and the NIGC, if any. Failure to provide information reasonably required by the State Gaming Agency to complete its investigation under California law or failure to pay the application fee or deposit can constitute grounds for denial of the application by the State Gaming Agency. The State Gaming Agency and Tribal Gaming Agency shall cooperate in sharing as much background information as possible, both to maximize investigative efficiency and thoroughness, and to minimize investigative costs.

(f) Upon completion of the necessary background investigation or other verification of suitability, the State Gaming Agency shall issue a notice to the Tribal Gaming Agency certifying that the State has determined that the Applicant is suitable, or that the Applicant is unsuitable, for licensure and, if unsuitable, stating the reasons therefore. Issuance of a determination of suitability does not preclude the State Gaming Agency from a subsequent determination based on newly discovered information that a person or entity is unsuitable for the purpose for which the person or entity is licensed.

(g) Upon receipt of notice that the State Gaming Agency has determined that a person or entity is or would be unsuitable for licensure, except as provided in section 6.4.3, subdivisions (f) and (g), the Tribal Gaming Agency shall deny that person or entity a license, or immediately suspend or revoke that person's or entity's license, as provided in section 6.5.1. Tribal law shall govern any right to notice or hearing regarding the denial, suspension or revocation of a person's or entity's tribal gaming license. Thereafter, the Tribal Gaming Agency shall revoke any tribal gaming license that has theretofore been issued to that person or entity.

(h) Prior to denying an application for a determination of suitability, or to issuing notice to the Tribal Gaming Agency that a person or entity previously determined to be suitable has been determined unsuitable for licensure, the State Gaming Agency shall notify the Tribal Gaming Agency and afford the Tribe an opportunity to be heard before any decision is made. If the State Gaming Agency denies an application for a determination of suitability, or issues notice that a person or entity previously determined suitable has been determined unsuitable for licensure, the State Gaming Agency shall provide that person or entity with written notice of all appeal rights available under state law.

(i) The Tribal Gaming Agency may, in its discretion, reissue a tribal gaming license to the person or entity following entry of a final judgment reversing the determination of the State Gaming Agency in a proceeding in state court between the Applicant and the State Gaming Agency conducted pursuant to section 1085 or 1094.5 of the California Code of Civil Procedure, as provided by the California Gambling Control Act.

(j) The Commission, or its successor, shall maintain a roster of Gaming Resource Suppliers and Financial Sources that it has determined to be suitable pursuant to the provisions of this section, or through separate procedures to be adopted by the Commission. Upon application to the Tribal Gaming Agency for a tribal gaming license, a Gaming Resource Supplier that appears on the Commission's suitability roster may be licensed by the Tribal Gaming Agency under section 6.4.4, subdivision (d), and a Financial Source that appears on the Commission's suitability roster may be licensed by the Tribal Gaming Agency under section 6.4.5, subdivision (f), subject to any later

determination by the State Gaming Agency that the Gaming Resource Supplier or Financial Source is not suitable or to a tribal gaming license suspension or revocation pursuant to sections 6.5.1 or 6.5.5; provided that nothing in this subdivision exempts the Gaming Resource Supplier or Financial Source from applying for a renewal of a State Gaming Agency determination of suitability.

Sec. 6.6. Submission of New Application.

Nothing in section 6.0 shall be construed to preclude an Applicant who has been determined to be unsuitable for licensure by the State Gaming Agency, or the Tribe on behalf of such Applicant, from later submitting a new application for a determination of suitability by the State Gaming Agency in accordance with section 6.0, provided that the Applicant may not commence duties or activities until found suitable by the State Gaming Agency. For the purposes of this section, an Applicant whose application was withdrawn with the consent of the State Gaming Agency prior to the issuance of unsuitability, or that was rejected as incomplete or otherwise procedurally defective, shall not for the reason be considered to have been determined to be unsuitable for licensure by the State Gaming Agency.

SECTION 7.0. APPROVAL AND TESTING OF GAMING DEVICES.

Sec. 7.1. Gaming Device Approval.

(a) No Gaming Device may be offered for play unless all of the following occurs:

(1) The manufacturer or distributor that sells, leases, or distributes such Gaming Device (i) has applied for a determination of suitability by the State Gaming Agency at least fifteen (15) days before it is offered for play, (ii) has not been found to be unsuitable by the State Gaming Agency, and (iii) has been licensed by the Tribal Gaming Agency;

(2) The software for each Class III Gaming game authorized for play on the Gaming Device has been tested, approved and certified by an independent gaming test laboratory or state or national governmental gaming test laboratory (Gaming Test Laboratory) as operating in accordance with technical standards that meet or exceed industry standards;

(3) A copy of the certification by the Gaming Test Laboratory, specified in subdivision (a)(2), is provided to the State Gaming Agency by electronic transmission or by mail, unless the State Gaming Agency waives receipt of copies of the certification;

(4) The software for the Class III Gaming games authorized for play on the Gaming Device is tested by the Tribal Gaming Agency to ensure each Class III Gaming game authorized for play on the Gaming Device has the correct electronic signature prior to offering the Gaming Device for play, or if the software is to be installed on a server to which one or more Gaming Devices will be connected, prior to the connection of Gaming Devices to the server;

(5) The hardware and associated equipment for each type of Gaming Device has been tested by the Gaming Test Laboratory prior to operation by the public to ensure operation in accordance with the standards established by the Tribal Gaming Agency that meet or exceed industry standards; and

(6) The hardware and associated equipment for the Gaming Device has been tested by the Tribal Gaming Agency to confirm operation in accordance with the manufacturer's specifications.

(7) Nothing in this section shall be interpreted to require testing of hardware and associated equipment or software that a Gaming Test Laboratory under industry standards would not normally test, approve, or certify.

(b) If either the Tribal Gaming Agency or the State Gaming Agency requests new standards for testing, approval, and certification of the software for the Class III Gaming game authorized for play on the Gaming Device pursuant to subdivision (a)(2), the party requesting the new standards shall provide the other party with a detailed explanation of the reason(s) for the request. If the party to which the request is made disagrees with the request, the State Gaming Agency and the Tribal Gaming Agency shall meet and confer in a good-faith effort to resolve the disagreement, which meeting and conferring shall include consultation with an independent Gaming Test Laboratory. If the disagreement is not resolved within one hundred twenty (120)

days after the initial meeting between the regulators to discuss the matter, either the Tribe or the State may submit the matter to dispute resolution under section 13.0 of this Compact.

Sec. 7.2. Gaming Test Laboratory Selection.

(a) The Gaming Test Laboratory shall be an independent gaming test laboratory that is (i) recognized in the gaming industry as competent and qualified to conduct scientific tests and evaluations of Gaming Devices, and (ii) licensed or approved by any state or tribal government within the jurisdiction of which the operation of Gaming Devices is authorized. At least thirty (30) days before the commencement of Gaming Activities pursuant to this Compact, or if such use follows the commencement of Gaming Activities, at least fifteen (15) days prior to reliance thereon, the Tribal Gaming Agency shall submit to the State Gaming Agency documentation that demonstrates the Gaming Test Laboratory satisfies (i) and (ii) herein. If, at any time, the Gaming Test Laboratory license or approval required by (ii) herein is suspended or revoked by any of those jurisdictions or the Gaming Test Laboratory is found unsuitable by the State Gaming Agency, then the State Gaming Agency may reject the use of that Gaming Test Laboratory, and upon such rejection, the Tribal Gaming Agency shall ensure that the Gaming Test Laboratory discontinues its responsibilities under this section. Any such suspension, revocation, or determination of unsuitability shall not affect the Tribe's right to continue operating Gaming Devices that had been tested and evaluated by that Gaming Test Laboratory, but Gaming Devices tested, evaluated and approved by that Gaming Test Laboratory shall be retested, reevaluated and reapproved by a substitute Gaming Test Laboratory within sixty (60) days from the date on which the Tribal Gaming Agency is notified of the suspension, revocation, or determination of unsuitability, or if circumstances require, any other reasonable timeframe as may be mutually agreed to by the Tribal Gaming Agency and the State Gaming Agency.

(b) The Tribe and the State Gaming Agency shall inform the Gaming Test Laboratory in writing that, irrespective of the source of payment of its fees, the Gaming Test Laboratory's duty of loyalty runs equally to the State and the Tribe; provided, that if the State Gaming Agency

requests that the Gaming Test Laboratory perform additional work, the State Gaming Agency shall be solely responsible for the cost of such additional work.

Sec. 7.3. Maintenance of Records of Testing Compliance.

The Tribal Gaming Agency shall prepare and maintain records of its compliance with section 7.1 while any Gaming Device is on the gaming floor and for a period of one (1) year after the Gaming Device is removed from the gaming floor, and shall make those records available for inspection by the State Gaming Agency upon request.

Sec. 7.4. State Gaming Agency Inspections.

(a) The State Gaming Agency may inspect the Gaming Devices in operation at a Gaming Facility on a random basis not to exceed four (4) times annually to confirm that the Gaming Devices, their software and the software of associated equipment operate and play properly pursuant to applicable technical standards. The inspections may be conducted on-site or remotely as a desk audit and include all Gaming Device software, hardware, associated equipment, software and hardware maintenance and testing records, and components critical to the operation of the Gaming Device. The State Gaming Agency shall make a good-faith effort to work with the Tribal Gaming Agency to minimize unnecessary disruption to the Gaming Operation, including, where appropriate, performing desk audits rather than on-site physical inspections.

(b) If the State Gaming Agency determines that more than one (1) annual on-site inspection is necessary or appropriate, it shall immediately provide the Tribal Gaming Agency with the basis for its determination and an opportunity to meet and confer so the issue can be resolved without an additional on-site inspection. However, the State Gaming Agency may conduct up to three (3) additional on-site inspections if a proper basis for such inspections has been established through a record of irregularities or negative findings in prior inspections. If the Tribal Gaming Agency does not agree with the State Gaming Agency's determination regarding the need for more than one (1) annual on-site inspection, the matter shall be resolved in accordance with the dispute resolution provisions of section 13.0.

(c) During each random inspection, the State Gaming Agency may not remove from play more than five percent (5%) of the Gaming Devices in operation at the Gaming Facility, and may not remove a Gaming Device from play, except during inspection or testing, or remove a Gaming Device from the Gaming Facility at any time, unless removal is necessary to confirm that they operate and play properly pursuant to applicable technical standards, and the State Gaming Agency obtains the concurrence of the Tribal Gaming Agency, which shall not be unreasonably withheld. The five percent (5%) limitation on removal from play shall not apply if a Gaming Device's connection to other Gaming Devices, a progressive controller, or similar linked system, makes limiting removal from play of no more than five percent (5%) infeasible or impossible.

(d) Whenever practicable, during on-site inspections the State Gaming Agency shall not require removal from play any Gaming Device that the State Gaming Agency determines may be fully and adequately tested while still in play. The State Gaming Agency shall return any Gaming Device removed from a Gaming Facility to the Gaming Facility as soon as reasonably possible and in any event no longer than one week from removal unless pursuant to a court order or warrant. The parties agree that removal of a Gaming Device from a Gaming Facility is an extraordinary measure only to be employed when absolutely necessary. The on-site inspections may include all Gaming Device software, hardware, associated equipment, software and hardware maintenance and testing records, and components critical to the operation of the Gaming Device.

(e) The State Gaming Agency shall provide notice to the Tribal Gaming Agency of its intent to conduct any on-site Gaming Device inspection with prior notice sufficient to afford the presence of proper staffing and, where applicable, manufacturer's representatives, to ensure the overall efficiency of the inspection process. The inspection shall not be unreasonably delayed and must take place within thirty (30) days of notification unless the Tribal Gaming Agency and State Gaming Agency agree otherwise. The on-site Gaming Device inspections conducted pursuant to this section shall occur between 9 a.m. and 5 p.m. and outside of weekends and holidays.

(f) To minimize unnecessary disruption to the Gaming Operation, rather than conducting on-site inspections, the State Gaming Agency may perform "desk audits" of the Tribe's Gaming Devices currently in operation. The Tribal Gaming Agency shall cooperate with the State Gaming Agency's reasonable efforts to obtain information that facilitates the conduct of remote but effective inspections that minimize disruption to Gaming Activities. Upon receipt of notice from the State Gaming Agency of the intent to conduct a desk audit, the Tribal Gaming Agency shall provide the State Gaming Agency with a list of all of the Tribe's Gaming Devices currently in operation, together with the information for each such Gaming Device that supports a desk audit. This information shall include, but is not limited to, the following:

(1) Manufacturer;

(2) Game name or theme;

(3) Serial number;

(4) Machine or asset number;

(5) Location;

(6) Denomination;

(7) Slot type (e.g., video, reel);

(8) Progressive type (e.g., stand alone, linked, wide-area progressive);

(9) Software ID number for all certified software in each Gaming Device located on the gaming floor, including game, base or system, boot chips and communication chip; and

(10) Any other information deemed relevant and appropriate by the State Gaming Agency and the Tribal Gaming Agency.

(g) The State Gaming Agency may retain and use qualified consultants to perform the functions authorized or specified herein but any such consultants shall be bound by the confidentiality and information use

and disclosure provisions applicable to the State Gaming Agency and its employees. The State Gaming Agency shall ensure that any consultants retained by it have met the standards and requirements, including any background investigations, established by applicable regulations governing contract employees prior to participating in any matter under this Compact. The State Gaming Agency shall also take all reasonable steps to ensure that consultants are free from conflicting interests in the conduct of their duties under this Compact. The Tribal Gaming Agency, in its sole discretion, may require a member or staff of the Tribal Gaming Agency or a representative of the State Gaming Agency to accompany any consultant at all times that the consultant is in a non-public area of the Gaming Facility.

(h) The State Gaming Agency promptly shall consult with the Tribal Gaming Agency concerning any material discrepancies noted and whether those discrepancies continue to exist.

Sec. 7.5. Technical Standards.

The Tribal Gaming Agency shall provide to the State Gaming Agency copies of its regulations for technical standards applicable to the Tribe's Gaming Devices at least thirty (30) days before the commencement of the Gaming Operation or within thirty (30) days after the effective date of this Compact, whichever is later, and thereafter at least thirty (30) days before the effective date of any revisions to the regulations, unless exigent circumstances require that any revisions to the regulations take effect sooner in order to ensure game integrity or otherwise to protect the public or the Gaming Operation, in which event the revisions to the regulations shall be provided to the State Gaming Agency as soon as reasonably practicable.

Sec. 7.6. Transportation of Gaming Devices.

(a) Subject to the provisions of subdivision (b), the Tribal Gaming Agency shall not permit any Gaming Device to be transported to or from the Tribe's Indian Lands except in accordance with procedures established by agreement between the State Gaming Agency and the Tribal Gaming Agency and upon at least ten (10) days' notice to the Sheriff's Department for the County in which the land is located.

(b) Transportation of a Gaming Device from a Gaming Facility within California is permissible only if:

(1) The final destination of the Gaming Device is a gaming facility of any tribe in California that has a Class III Gaming compact with the State or Secretarial Procedures that makes lawful the operation of Gaming Devices;

(2) The final destination of the Gaming Device is any other state in which possession of the Gaming Device is made lawful by that state's law, tribal-state compact, or Secretarial Procedures;

(3) The final destination of the Gaming Device is another country, or any state or province of another country, wherein possession of Gaming Devices is lawful; or

(4) The final destination is a location within California for testing, repair, maintenance, or storage by a person or entity that has been licensed by the Tribal Gaming Agency and has been found suitable for licensure by the State Gaming Agency.

(c) Any Gaming Device transported from or to the Tribe's Indian Lands in violation of this section 7.6 or in violation of any permit issued pursuant thereto, is subject to summary seizure by California peace officers in accordance with California law.

SECTION 8.0. INSPECTIONS.

Sec. 8.1. On-Site Regulation.

This Compact reflects the previous relationship between the Tribe and the State operating pursuant to the 1999 Compact. It recognizes and respects the primary role of the Tribal Gaming Agency to perform on-site regulation and to protect the integrity of the Gaming Activities, the reputation of the Tribe and the Gaming Operation for honesty and fairness, and to maintain the confidence of patrons that tribal governmental gaming in California meets the highest standards of regulation and internal controls. This Compact also acknowledges and affords the State with the authority and responsibility to ensure that the Tribe complies with all of the terms of this Compact and that gaming is conducted with integrity and in a manner that protects the health, safety, and other interests of the people of California.

Sec. 8.1.1. Investigation and Sanctions.

(a) The Tribal Gaming Agency shall investigate any reported violation of this Compact and shall require the Gaming Operation to correct the violation upon such terms and conditions as the Tribal Gaming Agency determines are necessary.

(b) The Gaming Ordinance shall empower the Tribal Gaming Agency to impose fines or other sanctions within the jurisdiction of the Tribe against gaming licensees who interfere with or violate the Tribe's gaming regulatory requirements and obligations under IGRA, the Gaming Ordinance, or this Compact. Any right to notice or hearing in regard thereto shall be governed by tribal law. Nothing in this Compact expands, modifies, or impairs the jurisdiction of the Tribal Gaming Agency under IGRA, the Gaming Ordinance or other applicable tribal law.

(c) The Tribal Gaming Agency shall report individual or continuing violations of this Compact that pose a significant threat to gaming integrity or public health and safety, and any failures to comply with the Tribal Gaming Agency's orders, to the State Gaming Agency within ten (10) days of discovery.

Sec. 8.2. Assistance by State Gaming Agency.

The Tribal Gaming Agency or the Tribe may request the assistance of the State Gaming Agency whenever it reasonably appears that such assistance may be necessary to carry out the purposes described in section 8.1.1, or otherwise to protect public health, safety, or welfare.

Sec. 8.3. Access to Premises by State Gaming Agency; Notification; Inspections.

(a) Notwithstanding that the Tribe and its Tribal Gaming Agency have the primary responsibility to administer and enforce the regulatory requirements of this Compact, the State Gaming Agency, including any consultant retained by it, shall have the right to inspect the Tribe's Gaming Facility, and all Gaming Operation or Gaming Facility records relating thereto as is reasonably necessary to ensure Compact compliance, including with adequate notice such records located in off-site facilities dedicated to their storage, subject to the conditions in

subdivisions (b), (c), and (d). If the Tribe objects to the State's determination of the areas or records included within any inspection, the matter shall be resolved in accordance with the dispute resolution provisions of section 13.0. The State Gaming Agency shall ensure that any consultants retained by it have met the standards and requirements, including any background investigations, established by applicable regulations governing contract employees prior to participating in any matter under this Compact. The State Gaming Agency shall take all reasonable steps to ensure that consultants are free from conflicting interests in the conduct of their duties under this Compact and shall require that consultants maintain all information regarding the Gaming Operation and Gaming Facility confidential in accordance with section 8.4. The State Gaming Agency shall provide the Tribal Gaming Agency with prior notice of the use of any consultant. The Tribal Gaming Agency, in its sole discretion, may require a member or staff of the Tribal Gaming Agency or a representative of the State Gaming Agency to accompany any consultant at all times that the consultant is in a non-public area of the Gaming Facility.

(b) Except as provided in section 7.4, the State Gaming Agency may inspect public areas of the Gaming Facility at any time without prior notice during normal Gaming Facility business hours.

(c) Inspection of areas of the Gaming Facility not normally accessible to the public may be made at any time during the normal administrative hours of the Tribal Gaming Agency, immediately after the State Gaming Agency's authorized inspector notifies the Tribal Gaming Agency of his or her presence on the premises, presents proper identification, and requests access to the non-public areas of the Gaming Facility. Inspection of areas of the Gaming Facility not normally accessible to the public may be made at any time outside the normal administrative hours of the Tribal Gaming Agency with fourteen (14) days' notice to the Tribal Gaming Agency, except that fourteen (14) days' notice is not required upon the existence of exigent circumstances that the State Gaming Agency reasonably determines may be a threat to gaming integrity or public safety. The Tribal Gaming Agency, in its sole discretion, may require a member or staff of the Tribal Gaming Agency to accompany the State Gaming Agency inspector at all times that the State Gaming Agency inspector

is in a non-public area of the Gaming Facility. If the Tribal Gaming Agency imposes such a requirement, it shall require such member or staff to be available at appropriate times for those purposes and shall ensure that the member or staff has the ability to gain immediate access to all non-public areas of the Gaming Facility.

(d) Nothing in this Compact shall be construed to limit the State Gaming Agency to one (1) inspector during inspections.

Sec. 8.4. Inspection, Copying and Confidentiality of Documents.

(a) Inspection and copying of Gaming Operation papers, books, and records that are reasonably necessary to ensure Compact compliance may occur at any time after the State Gaming Agency gives notice to the Tribal Gaming Agency during the normal administrative hours of the Tribal Gaming Agency, provided that the State Gaming Agency inspectors cannot require copies of papers, books, or records in such manner or volume that it unreasonably interferes with the normal functioning of the Gaming Operation or Gaming Facility, or with the operation of the Tribal Gaming Agency.

(b) In lieu of on-site inspection and copying of Gaming Operation papers, books, and records by its inspectors, the State Gaming Agency may request in writing that the Tribal Gaming Agency provide copies of such papers, books, and records as the State Gaming Agency deems necessary to ensure compliance with the terms of this Compact. The State Gaming Agency's written request shall describe those papers, books, and records requested to be copied with sufficient specificity to reasonably identify the requested documents. Within ten (10) days after it receives the request, or such other time as the State Gaming Agency may agree in writing, the Tribal Gaming Agency shall provide one (1) copy of the requested papers, books, and records to the requesting State Gaming Agency. An electronic version of the requested papers, books, and records may be submitted to the State Gaming Agency in lieu of a paper copy so long as the software required to access the electronic version is reasonably available to the State Gaming Agency.

(c) Notwithstanding any other provision of California law, any confidential information and records, as defined in subdivision (d),

that the State Gaming Agency obtains or copies pursuant to this Compact shall be, and remain, the property solely of the Tribe; provided that such confidential information and records and copies may be retained by the State Gaming Agency as is reasonably necessary to assure the Tribe's compliance with this Compact. The State Gaming Agency may provide such confidential information and records and copies to federal law enforcement and other state agencies or consultants that the State deems reasonably necessary in order to assure the Tribe's compliance with this Compact; provided that to the extent reasonably feasible, the State Gaming Agency will consult with representatives of the Tribe prior to such disclosure. Upon request, the State Gaming Agency shall provide the Tribal Gaming Agency with information regarding its relevant confidentiality policies.

(d) For the purposes of this section 8.4, "confidential information and records" means any and all information and records received from the Tribe pursuant to the Compact, except for information and records that are in the public domain.

(e) The State Gaming Agency and all other state agencies and consultants to which it provides confidential information and records obtained pursuant to subdivisions (a) or (b) of this section shall exercise utmost care in the preservation of the confidentiality of such information and records and will apply the highest standards of confidentiality provided under California state law to preserve such information and records from disclosure until such time as the information or record is no longer confidential or disclosure is authorized by the Tribe, by mutual agreement of the Tribe and the State, or pursuant to the dispute resolution provisions under section 13.0. The State Gaming Agency and all other state agencies and consultants may disclose confidential information or records as necessary to fully adjudicate or resolve a dispute arising pursuant to the Compact, in which case the State Gaming Agency and all other state agencies and consultants agree to preserve confidentiality to the greatest extent feasible and available. Before the State Gaming Agency provides confidential information and records to a consultant as authorized under subdivision (c), it shall enter into a confidentiality agreement with that consultant that meets the standards of this subdivision.

(f) The Tribe may avail itself of any and all remedies under state law for the improper disclosure of confidential information and records. In the case of any disclosure of confidential information and records compelled by judicial process, the State Gaming Agency will endeavor to give the Tribe prompt notice of the order compelling disclosure and a reasonable opportunity to interpose an objection thereto with the court.

(g) Except as otherwise provided in any regulation approved by the Association, the Tribal Gaming Agency and the State Gaming Agency shall confer and agree regarding protocols for the release to law enforcement agencies of information obtained during the course of background investigations.

(h) Confidential information and records received by the State Gaming Agency from the Tribe in compliance with this Compact, or information compiled by the State Gaming Agency from those confidential records, shall be exempt from disclosure under the California Public Records Act, California Government Code, section 7920 et seq.

(i) Notwithstanding any other provision of this Compact, the State Gaming Agency shall not be denied access to papers, books, records, equipment, or places where such access is reasonably necessary to ensure compliance with this Compact or to conduct or complete an investigation of suspected criminal activity in connection with the Gaming Activities or the operation of the Gaming Facility or the Gaming Operation.

(j) Upon request, the State Gaming Agency shall provide the Tribal Gaming Agency with a current copy of its records retention and destruction policy.

Sec. 8.5. Cooperation with Tribal Gaming Agency.

The State Gaming Agency shall meet periodically with the Tribal Gaming Agency and cooperate in all matters relating to the enforcement of the provisions of this Compact.

Sec. 8.6. Compact Compliance Review.

The State Gaming Agency is authorized to conduct an annual Compact compliance review (also known as a "site visit") to ensure compliance with all provisions of this Compact. The compliance review shall be reasonable in scope and duration and the State Gaming Agency shall cooperate with the Tribe to avoid disruption of the Gaming Operation's business as a result of the compliance review, where possible. The Tribal Gaming Agency will coordinate with the State Gaming Agency to address any irregularity that the State Gaming Agency reasonably determines may be a threat to gaming integrity or public safety. Nothing in this section shall be construed to supersede any other audits, inspections, investigations, and monitoring authorized by this Compact.

Sec. 8.7. Waiver of Materials.

The State Gaming Agency shall retain the discretion to waive, in whole or in part, receipt of materials otherwise required by this Compact to be provided to the State Gaming Agency by the Tribal Gaming Agency or the Tribe.

SECTION 9.0. RULES AND REGULATIONS FOR THE OPERATION AND MANAGEMENT OF THE GAMING OPERATION AND GAMING FACILITY.

Sec. 9.1. Adoption of Regulations for Operation and Management; Minimum Standards.

The State recognizes that the Tribe is the primary regulator of its Gaming Operation and that it is the responsibility of the Tribal Gaming Agency to conduct on-site gaming regulation and control in order to enforce the terms of this Compact, IGRA, NIGC gaming regulations, State Gaming Agency regulations, and the Gaming Ordinance, to protect the integrity of the Gaming Activities, the reputation of the Tribe and the Gaming Operation for honesty and fairness, and to maintain the confidence of patrons that tribal governmental gaming in California meets the highest standards of fairness and internal controls. To meet those responsibilities, the Tribal Gaming Agency is vested with the authority to promulgate, and shall promulgate and enforce, rules and regulations governing, at a minimum, the following subjects pursuant to the standards and conditions set forth therein:

(a) The enforcement of all relevant laws and rules with respect to the Gaming Activities, Gaming Operation, and Gaming Facility, and the

conduct of investigations and hearings with respect thereto, and any other subject within its jurisdiction.

(b) The physical safety of Gaming Facility patrons and employees, and any other person while in the Gaming Facility.

(c) The physical safeguarding of assets transported to, within, and from the Gaming Facility.

(d) The prevention of illegal activity within the Gaming Facility or with regard to the Gaming Operation or Gaming Activities, including, but not limited to, the maintenance of employee procedures and a surveillance system as provided in subdivision (e).

(e) Maintenance of a closed-circuit television surveillance system consistent with industry standards for gaming facilities of the type and scale operated by the Tribe, which system shall be approved by, and may not be modified without the approval of, the Tribal Gaming Agency. The Tribal Gaming Agency shall have current copies of the Gaming Facility floor plan and closed-circuit television surveillance system at all times, and any modifications thereof first shall be approved by the Tribal Gaming Agency.

(f) The establishment of employee procedures designed to permit detection of any irregularities, theft, cheating, fraud, or the like, consistent with industry practice.

(g) Maintenance of a list of persons permanently excluded from the Gaming Facility who, because of their past behavior, criminal history, or association with persons or organizations, pose a threat to the integrity of the Gaming Activities of the Tribe or to the integrity of regulated gambling within California. The Tribal Gaming Agency and the State Gaming Agency shall make a good-faith effort to share information regarding such permanent exclusions. Nothing herein is intended to grant any third party the right to sue based upon any sharing of information.

(h) The conduct of an audit of the Gaming Operation, not less than annually, by an independent certified public accountant, in accordance with American Institute of Certified Public Accountants standards.

(i) Submission to, and prior approval by, the Tribal Gaming Agency of the rules and regulations of each Class III Gaming game to be operated by the Tribe, and of any changes in those rules and regulations. No Class III Gaming game may be offered for play that has not received Tribal Gaming Agency approval.

(j) Maintenance of a copy of the rules, regulations, and procedures for each Class III Gaming game as played, including, but not limited to, the method of play and the odds and method of determining amounts paid to winners.

(k) Specifications and standards to ensure that information regarding the method of play, odds, and payoff determinations is visibly displayed or available to patrons in written form in the Gaming Facility and to ensure that betting limits applicable to any gaming station are displayed at that gaming station.

(l) Maintenance of a cashier's cage in accordance with tribal internal control standards that meet or exceed industry standards for such facilities.

(m) Specification of minimum staff and supervisory requirements for each Gaming Activity to be conducted.

(n) Technical standards and specifications in conformity with the requirements of this Compact for the operation of Gaming Devices and other Class III Gaming games authorized herein or as provided in any regulation approved by the Association.

Sec. 9.2. Manner in Which Incidents Are Reported.

The Tribe agrees that the Tribal Gaming Agency shall require the recording of any and all occurrences within the Gaming Facility that deviate from normal operating policies and procedures (hereinafter "incident(s)"). The Tribe agrees that the Tribal Gaming Agency shall transmit copies of incident reports that it reasonably believes concern a significant or continued threat to public safety or gaming integrity to the State Gaming Agency within seven (7) days of becoming aware of the threat. The procedure for recording incidents pursuant to this section shall also do all of the following:

(a) Specify that security personnel record all incidents, regardless of an employee's determination that the incident may be immaterial (and all incidents shall be identified in writing).

(b) Require the assignment of a sequential number to each incident report.

(c) Provide for permanent reporting in indelible ink in a bound notebook from which pages cannot be removed and in which entries are made on each side of each page and/or in electronic form, provided the information is recorded in a manner so that, once the information is entered, it cannot be deleted or altered and is available to the State Gaming Agency pursuant to sections 8.3 and 8.4.

(d) Require that each report include, at a minimum, all of the following:

(1) The record number.

(2) The date.

(3) The time.

(4) The location of the incident.

(5) A detailed description of the incident.

(6) The persons involved in the incident.

(7) The security department employee assigned to the incident.

Sec. 9.3. Minimum Internal Control Standards (MICS).

(a) The Tribe shall conduct its Gaming Activities pursuant to an internal control system that implements minimum internal control standards for Class III Gaming that are no less stringent than those contained in (i) the Minimum Internal Control Standards of the NIGC (25 C.F.R. § 542), as they existed on October 20, 2006, or (ii) any subsequent NIGC regulation that is at least as stringent as the Minimum Internal Control Standards of the NIGC. These standards are posted on the State Gaming Agency website(s) and are referred to herein as the "Compact MICS." This requirement is met through compliance with the provisions set forth in this section and sections 9.1 and 9.2, or in

the alternative, by compliance with the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-8, as it exists currently and as it may hereafter be amended.

(b) In the event the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-8 is rescinded or otherwise ceases to exist, or if the NIGC withdraws its regulations at 25 Code of Federal Regulations part 542, the Compact MICS, as they may be amended from time to time, shall continue to serve as the minimum internal control standards for the purposes of this Compact. Any change, modification, or amendment thereto shall be effected by action of the Association.

(c) The minimum internal control standards set forth in the Compact MICS shall apply to all Gaming Activities, Gaming Facilities, and the Gaming Operation; however, the Compact MICS are not applicable to any class II gaming activities. Should the terms in the Compact MICS be inconsistent with this Compact, the terms in this Compact shall prevail.

Sec. 9.4. Program to Mitigate Problem Gambling.

The Gaming Operation shall establish a program, approved by the Tribal Gaming Agency, to mitigate pathological and problem gambling by implementing the following measures:

(a) Training Gaming Facility supervisors and gaming floor employees on responsible gaming and to identify and manage problem gambling.

(b) Making available to patrons at conspicuous locations and ATMs in the Gaming Facility educational and informational materials that aim at the prevention of problem gambling and that specify where to find assistance, and shall display at conspicuous locations and at ATMs within the Gaming Facility signage bearing a toll-free helpline number where patrons may obtain assistance for gambling problems.

(c) Establishing self-exclusion measures whereby a self-identified problem gambler may request the halt of promotional mailings, the revocation of privileges for casino services, the denial or restraint on the issuance of credit and check cashing services, and exclusion from the Gaming Facility.

(d) Establishing involuntary exclusion measures that allow the Gaming Operation to halt promotional mailings, deny or restrain the issuance of credit and check-cashing services, and deny access to the Gaming Facility to patrons who have exhibited signs of problem gambling. No person involuntarily excluded under such measures shall be entitled to assert any claim whatsoever against the Tribe, the Gaming Operation or any official, employee or agent of the Tribe or the Gaming Operation as the result of such exclusion.

(e) Making diligent efforts to prevent underage individuals from loitering in the area of the Gaming Facility where the Gaming Activities take place.

(f) Assuring that advertising and marketing of the Gaming Activities at the Gaming Facility contain a responsible gambling message and a toll-free helpline number for problem gamblers, where practical, and that they make no false or misleading claims.

Any deficiency in the effectiveness of these measures or standards, as opposed to compliance with the program and measures specified above, does not constitute a material breach of this Compact.

Nothing herein is intended to grant any third party the right to sue based upon any alleged deficiency or violation of these measures.

Sec. 9.5. Enforcement of Regulations.

The Tribe agrees that the Tribal Gaming Agency shall ensure the enforcement of the rules, regulations, and specifications promulgated under this Compact.

Sec. 9.6. State Civil and Criminal Jurisdiction.

Nothing in this Compact affects the civil or criminal jurisdiction of the State under Public Law 280 (18 U.S.C. § 1162; 28 U.S.C. § 1360) or IGRA, to the extent applicable. In addition, criminal jurisdiction to enforce state gambling laws is transferred to the State pursuant to 18 U.S.C. § 1166(d), provided that no Gaming Activity conducted by the Tribe pursuant to this Compact may be deemed to be a civil or criminal violation of any law of the State.

Sec. 9.7. Tribal Gaming Agency Members.

(a) The Tribe shall take all reasonable steps to ensure that members of the Tribal Gaming Agency are free from corruption, undue influence, compromise, and conflicting interests in the conduct of their duties under this Compact; and agrees to adopt a conflict-of-interest code to that end; and shall ensure the prompt removal of any member of the Tribal Gaming Agency who is found to have acted in a corrupt or compromised manner, or is found to have violated the conflict-of-interest code.

(b) The Tribal Gaming Agency, in accordance with the Tribe's Gaming Ordinance and this Compact, shall conduct a background investigation on each member or prospective member of the Tribal Gaming Agency. A member may not participate in any Tribal Gaming Agency matters under this Compact unless a background investigation has been concluded and the member has been found to be suitable.

(c) The Tribal Gaming Agency shall conduct a background investigation on each prospective employee of the Tribal Gaming Agency to ensure that he or she satisfies the requirements of section 6.4.7.

Sec. 9.8. Uniform Statewide Tribal Gaming Regulations.

(a) The Uniform Statewide Tribal Gaming Regulations CGCC-1, CGCC-2, CGCC-7, and CGCC-8 (as in effect on the date the parties execute this Compact), adopted by the State Gaming Agency and approved by the Association, shall apply to the Gaming Operation until amended or repealed, without further action by the State Gaming Agency, the Tribe, the Tribal Gaming Agency or the Association.

(b) Any subsequent Uniform Statewide Tribal Gaming Regulations adopted by the State Gaming Agency and approved by the Association shall apply to the Gaming Operation until amended or repealed.

(c) Except as provided in subdivision (f), no State Gaming Agency regulation adopted pursuant to this section shall be effective with respect to the Tribe's Gaming Operation unless it has first been

approved by the Association and the Tribe has had an opportunity to review and comment on the proposed regulation.

(d) Every State Gaming Agency regulation adopted pursuant to this section that is intended to apply to the Tribe (other than a regulation proposed or previously approved by the Association) shall be submitted to the Association for consideration prior to submission of the regulation to the Tribe for comment as provided in subdivision (c). A regulation adopted pursuant to this section that is disapproved by the Association shall not be submitted to the Tribe for comment unless it is readopted by the State Gaming Agency as a proposed regulation, in its original or amended form, with a detailed, written response to the Association's objections.

(e) Except as provided in subdivision (f), no regulation of the State Gaming Agency adopted pursuant to this section shall be adopted as a final regulation with respect to the Tribe's Gaming Operation before the expiration of thirty (30) days after submission of the proposed regulation to the Tribe for comment as a proposed regulation, and after consideration of the Tribe's comments, if any.

(f) In exigent circumstances (e.g., imminent threat to public health and safety), the State Gaming Agency may adopt a regulation that becomes effective immediately. Any such regulation shall be accompanied by a detailed, written description of the exigent circumstances, and shall be submitted immediately to the Association for consideration. If the regulation is disapproved by the Association, it shall cease to be effective, but may be readopted by the State Gaming Agency as a proposed regulation, in its original or amended form, with a detailed, written response to the Association's objections, and thereafter submitted to the Tribe for comment as provided in subdivision (c).

(g) The Tribe may object to a State Gaming Agency regulation adopted pursuant to this section on the ground that it is unnecessary, unduly burdensome, conflicts with a published final regulation or guidance of the NIGC, or unfairly discriminatory, and may seek repeal or amendment of the regulation through the dispute resolution process of section 13.0.

(h) Chapter 3.5 (commencing with section 11340) of part 1 of division 3 of title 2 of the California Government Code does not apply to regulations adopted by the State Gaming Agency pursuant to this section.

SECTION 10.0. PATRON DISPUTES

The Tribal Gaming Agency shall promulgate regulations governing patron disputes over the play or operation of any game, including any refusal to pay to a patron any alleged winnings from any Gaming Activities, which regulations must meet the following minimum standards:

(a) A patron who makes an oral or written complaint to personnel of the Gaming Operation over the play or operation of any game within three (3) days of the play or operation at issue shall be notified in writing of the patron's right to request in writing, within fifteen (15) days of the Gaming Operation's written notification to the patron of that right, resolution of the dispute by the Tribal Gaming Agency, and if dissatisfied with the Tribal Gaming Agency's resolution of the dispute, the right to seek resolution before the Tribe's tribal court or, if there is no tribal court with jurisdiction, by a neutral forum designated by the Tribal Gaming Agency for that purpose (collectively, Tribal Court). If the patron is not provided with the aforesaid notification within thirty (30) days of the patron's complaint, the deadlines herein shall be removed, leaving only the relevant statutes of limitations under State law that would otherwise apply.

(b) Upon receipt of the patron's written request for a resolution of the patron's complaint pursuant to subdivision (a), the Tribal Gaming Agency shall conduct an appropriate investigation, shall provide to the patron a copy of its regulations concerning patron complaints, and shall render a decision in accordance with industry practice. The decision shall be issued within sixty (60) days of the patron's written request, shall be in writing, shall be based on the facts surrounding the dispute, and shall set forth the reasons for the decision.

(c) If the patron is dissatisfied with the decision of the Tribal Gaming Agency issued pursuant to subdivision (b), or no decision is issued within the sixty (60)-day period, the patron may request that the

dispute be resolved in the Tribal Court. The Tribal Court must afford the patron with a dispute resolution process that incorporates the essential elements of fairness and due process. Resolution of the dispute before the Tribal Court shall be at no cost to the patron (excluding patron's attorney's fees and court filing fees).

(d) Consistent with industry practice, if any alleged winnings are found to be a result of a mechanical, electronic or electromechanical failure and not due to the intentional acts or gross negligence of the Tribe or its agents, the patron's claim for the winnings shall be denied but the patron shall be awarded reimbursements of the amount wagered by the patron that were lost as a result of any mechanical, electronic or electromechanical failure.

(e) Any party dissatisfied with the award of the Tribal Court may invoke the jurisdiction of the applicable tribal appellate court.

(f) To effectuate its consent to the Tribal Court and the tribal appellate court in this section 10.0, the Tribe shall, in the exercise of its sovereignty, waive its right to assert sovereign immunity in connection with the jurisdiction of the Tribal Court and the tribal appellate court and in any action to (i) enforce the Tribe's or the patron's obligation under this section 10.0, or (ii) enforce or execute a judgment based upon the award of the Tribal Court or the tribal appellate court, to the extent of the amount of winnings in controversy.

SECTION 11.0. TRIBAL DISTRIBUTIONS TO MITIGATE IMPACTS OF GAMING ON LOCAL GOVERNMENTS.

Sec. 11.1. Distributions by Tribe to Local Governments.

(a) The Tribe recognizes that activities associated with operation of its Gaming Facilities may impact law enforcement, emergency services, and other public services of neighboring jurisdictions and place an increased burden on them. If the Tribe operates three hundred and fifty (350) or more Gaming Devices, the Tribe agrees to establish an Impact Mitigation Fund for purposes of providing assistance to non-tribal law enforcement, emergency services, and service agencies with demonstrated impacts from the Gaming Facilities, to deposit

one percent (1%) of Net Win into the Impact Mitigation Fund, and to distribute those funds to neighboring jurisdictions to mitigate impacts upon those jurisdictions resulting from the operation of the Gaming Facilities, or other purposes as the Tribe and a jurisdiction may agree.

(b) The Tribe may, in its discretion, collaborate with neighboring jurisdictions on joint projects designed to address shared concerns and alleviate impacts arising from the operation of the Gaming Facilities. The Tribe may allocate funds from the Impact Mitigation Fund to support these joint projects, subject to mutual agreement between the Tribe and the relevant neighboring jurisdictions.

(c) The State and the Tribe recognize the potential for impacts on other Indian tribes in the vicinity of the Gaming Facilities. Other Indian tribes in the vicinity shall be treated as neighboring jurisdictions for the purposes of this Impact Mitigation Fund. The Tribe may distribute up to twenty-five percent (25%) of funds from the Impact Mitigation Fund, measured over the prior three (3) years, to other Indian tribes in the vicinity of the Gaming Facilities.

Sec. 11.2. Tracking of Tribal Distributions from the Impact Mitigation Fund.

(a) If the Tribe operates three hundred and fifty (350) or more Gaming Devices, on or before April 1 of each year, the Tribe shall prepare a report for the State for distributions made pursuant to section 11.1, stating for the prior calendar year the Impact Mitigation Fund's starting and ending balance, the total amount distributed to each neighboring jurisdiction receiving funds, and the purposes for which the Tribe made those distributions.

(b) The Tribe will manage the distribution of funds from the Impact Mitigation Fund to ensure that the Impact Mitigation Fund's balance does not exceed the total amount contributed by the Tribe to the Impact Mitigation Fund for the prior three (3) years.

(c) In recognition that in certain circumstances the Tribe may distribute funds for large one-time payments to neighboring jurisdictions to mitigate impacts upon those jurisdictions resulting from the operation of the Gaming Facilities, the Tribe may credit payments that

otherwise meet the requirements of section 11.1 towards future obligations for a period up to five (5) years from the date of the payment. The Tribe shall track the application of any credited payment until it is exhausted in the report provided under section 11.2, subdivision (a).

SECTION 12.0. PUBLIC AND WORKPLACE HEALTH, SAFETY, AND LIABILITY.

Sec. 12.1. General Requirements.

(a) The Tribe shall not conduct Class III Gaming in a manner that endangers the public health, safety, or welfare, provided, however, that nothing herein shall be construed to make applicable to the Tribe any state laws or regulations governing the use of tobacco.

(b) The State and Tribe agree that the Tribe may designate a tribal forum incorporating the essential elements of fairness and due process for claims brought pursuant to procedures established by the Tribe for purposes of sections 12.4 and 12.6.

Sec. 12.2. Tobacco Smoke.

Notwithstanding section 12.1, the Tribe agrees to provide a non-smoking area in the Gaming Facility and, consistent with the Tribe's commitment to the well-being of its employees and patrons, to maintain ventilation, filtration, purification, or other technologies in the Gaming Facility, where reasonably feasible after consideration of engineering, economic and scientific factors.

Sec. 12.3. Health and Safety Standards.

To protect the health and safety of patrons and employees of the Gaming Facility, the Tribe shall, for the Gaming Facility:

(a) Adopt and comply with standards no less stringent than California public health standards for food and beverage handling. The Gaming Operation will allow inspection of food and beverage services by state or county health inspectors, during normal hours of operation, to assess compliance with these standards, unless inspections are routinely made by an agency of the United States government to ensure compliance with equivalent standards of the United States

Public Health Service or made by a tribally-engaged independent food inspector certified or licensed under federal or state public health standards for food and beverage handling and qualified to inspect under the tribal public health standards pursuant to this subdivision (Qualified Food Inspector). The Tribe may utilize either (i) a Qualified Food Inspector from a nationally recognized food service inspection company or (ii) a Qualified Food Inspector who is employed or contracted under the regulatory authority of the Tribe. Nothing herein shall be construed as submission of the Tribe to the jurisdiction of the state or county health inspectors, but any alleged violations of the standards shall be treated as alleged violations of this Compact.

(b) Adopt and comply with standards no less stringent than federal water quality and safe drinking water standards applicable in California. The Gaming Operation will allow for inspection and testing of water quality by state or county health inspectors, as applicable, during normal hours of operation, to assess compliance with these standards, unless inspections and testing are made by an agency of the United States pursuant to, or by the Tribe under express authorization of, federal law, to ensure compliance with federal water quality and safe drinking water standards. Nothing herein shall be construed as submission of the Tribe to the jurisdiction of the state or county health inspectors, but any alleged violations of the standards shall be treated as alleged violations of this Compact.

(c) Comply with the building and safety standards set forth in section 6.4.2.

(d) Adopt and comply with federal workplace and occupational health and safety standards. Subsequent to an inspection or enforcement action by the Federal Occupational Safety and Health Administration or by an agency of the United States pursuant to federal law, the Tribe will provide a copy of the inspector's report or other documentation of the inspection to the State Gaming Agency within ten (10) days of receipt of the report or other documentation of the inspection.

(e) Adopt and comply with tribal codes to the extent consistent with the provisions of this Compact and other applicable federal law regarding public health and safety.

(f) Prohibit the Gaming Operation from cashing, except for tribal members, any check drawn against a federal, state, county, or city fund, unless that check is for wages or payment for goods and services.

(g) Adopt and comply with, as a matter of tribal law, standards that are no less stringent than California state laws, if any, governing the terms of extension of credit to patrons by gambling enterprises.

(h) Comply with provisions of the Bank Secrecy Act, 31 U.S.C. §§ 5311-5314, as amended, and all reporting requirements of the Internal Revenue Service, insofar as such provisions and reporting requirements are applicable to gambling establishments.

(i) Adopt and comply with ordinances or policies no less stringent than: (i) the minimum wage, maximum hour, child labor, and overtime standards set forth in the Fair Labor Standards Act, 29 U.S.C. §§ 206, 207 and 212, subject to 29 U.S.C. §§ 213 and 214; and (ii) the United States Department of Labor regulations implementing the foregoing sections of the Fair Labor Standards Act, appearing at 29 Code of Federal Regulations part 500 et seq. The Tribe further agrees to keep in place and continue to enforce the Gaming Operation's current policy and practice of paying its Gaming Operation and Gaming Facility employees not less than the State's minimum wage rate set forth and as adjusted in California Labor Code section 1182.12. Notwithstanding the foregoing, only the federal minimum wage laws set forth in the Fair Labor Standards Act, 29 U.S.C. § 206 et seq., shall apply to tipped employees. Nothing herein shall make applicable state law concerning overtime, or be construed as authorizing or creating any private cause of action against the Tribe or the Gaming Operation based upon an alleged violation of any of the foregoing standards.

Sec. 12.4. Prohibited Discrimination, Harassment and Retaliation Standards.

(a) Before the effective date of this Compact, the Tribe shall establish written procedures forbidding harassment, including sexual harassment, in the workplace; forbidding employers from discrimination in connection with the employment of persons to work or working for the Gaming Operation or in the Gaming Facility on the basis of race and any other protected groups under federal or California law; and forbidding employers from retaliation against persons who oppose harassment or discrimination or participate in proceedings arising out of allegations of harassment or discrimination (prohibited discrimination, harassment or retaliation). The procedures shall include all time limits applicable to the disposition of an alleged incident of prohibited discrimination, harassment or retaliation (Employment-Related Claim) and a provision that, upon request, the employee, or employee's designated representative, shall be provided with a copy of the procedures as well as the name, address and telephone number of the Gaming Operation and the appropriate contact information for the employee to provide any required document or materials to initiate or process the Employment-Related Claim. The Tribe 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, but agrees not to assert such immunity as provided in subdivision (b) of this section.

(b) During the term of this Compact, the Gaming Operation shall maintain an employment practices liability insurance policy consistent with industry standards for non-tribal casinos in the United States underwritten by an insurer with an AM Best rating of A or higher that provides coverage of no less than three million dollars ($3,000,000) per occurrence for prohibited discrimination, harassment or retaliation (Employment Practices Policy). The Employment Practices Policy shall include an endorsement providing that neither the insurer nor the Gaming Operation may invoke tribal sovereign immunity up to the limits of the policy set forth above with respect to any claim covered under the policy and disposed of in accordance with the Tribe's Employment-Related Claim procedures. Neither the insurer nor the Gaming Operation shall be precluded from asserting any other statutory or common law defense and provided further that any award

or judgment rendered in favor of the employee shall be satisfied solely from insurance proceeds.

(c) The Tribe shall provide written notice of its procedures for bringing an Employment-Related Claim in its employee handbook.

Sec. 12.5. Tribal Gaming Facility Standards Ordinance.

The Tribe shall adopt in the form of an ordinance(s) or policy(ies), as appropriate, the requirements of section 12.3 to which the Gaming Operation and Gaming Facility are held, and shall transmit the ordinance(s) or policy(ies) to the State Gaming Agency not later than sixty (60) days after the effective date of this Compact. In the absence of a promulgated tribal standard in respect to a matter identified in section 12.3 and 12.4, or the express adoption of an applicable federal and/or state statute or regulation, as the case may be, in respect of any such matter, the otherwise applicable federal and/or California state statute or regulation shall be deemed to have been adopted by the Tribe as the applicable standard.

Sec. 12.6. Insurance Coverage and Claims.

(a) Before the effective date of this Compact, the Tribe shall establish written procedures for the disposition of tort claims arising from personal injury or property damage alleged to have been suffered by any person who is a patron of the Gaming Facility or who is otherwise lawfully on the premises of the Gaming Facility (collectively, Claimant). The Tribe shall enact such tribal law as is necessary to implement these procedures. The procedures shall include all time limits applicable to the disposition of the tort claim and a provision that, upon request, the Claimant, or the Claimant's designated representative, shall be provided with a copy of the procedures as well as the name, address and telephone number of the Gaming Operation and the appropriate contact information for the Claimant to provide any required document or materials to initiate or process the tort claim. The Tribe shall not be deemed to have waived its sovereign immunity from suit with respect to the tort claims by establishing the procedures or by any provision of this Compact, but agrees not to assert such immunity as provided in subdivision (b) of this section.

(b) During the term of this Compact, the Gaming Operation shall maintain a policy of commercial general liability insurance consistent with industry standards for non-tribal casinos in the United States

underwritten by an insurer with an AM Best rating of A or higher that provides coverage of no less than ten million dollars ($10,000,000) per occurrence. The insurance policy shall include an endorsement providing that neither the insurer nor the Gaming Operation may invoke tribal sovereign immunity up to the limits of the policy set forth above with respect to any claim covered under the policy and disposed of in accordance with the Tribe's tort claim procedures, provided, that the policy shall not exclude all claims made by a Claimant for personal injury or property damage. Neither the insurer nor the Gaming Operation shall be precluded from asserting any other statutory or common law defense and provided further that any award or judgment rendered in favor of the Claimant shall be satisfied solely from insurance proceeds.

Sec. 12.7. Participation in State Programs Related to Employment.

(a) Not later than the effective date of this Compact, the Tribe will advise the State of its election to participate in the statutory workers' compensation system as provided in subdivision (a)(l) below or, alternatively, will forward to the State all relevant ordinances that have been adopted and all other documents establishing the system and demonstrating that the system is fully operational and compliant with the comparability standards set forth in subdivision (a)(2), including such waivers of the Tribe's sovereign immunity as are necessary to allow Gaming Operation and Gaming Facility employees to enforce the Tribe's workers' compensation system. The Tribe and the State agree that independent contractors doing business with the Tribe must comply with all state workers' compensation laws and obligations.

(1) The Tribe agrees that it will participate in the State's workers' compensation program with respect to employees employed at the Gaming Operation or Gaming Facility. The workers' compensation program includes, but is not limited to, state laws relating to the securing of payment of compensation through one (1) or more insurers duly authorized to write workers' compensation insurance in this state or through self-insurance as permitted under the State's workers' compensation laws. All disputes arising from the workers' compensation laws shall be heard by the Workers' Compensation Appeals Board pursuant

to the California Labor Code. The Tribe hereby consents to the jurisdiction of the State Workers' Compensation Appeals Board and the courts of the State of California for purposes of enforcement of this subdivision.

(2) In lieu of participating in the State's statutory workers' compensation system, the Tribe may create and maintain a system that provides redress for the Gaming Operation and Gaming Facility employees' work-related injuries through requiring insurance or self-insurance. This system must include a scope of coverage, provision of up to ten thousand dollars ($10,000) in medical treatment for an alleged injury until the date that liability for the claim is accepted or rejected, employee choice of physician provisions comparable to those mandated for comparable employees under state law, quality and timely medical treatment provided comparable to the state's medical treatment utilization schedule, availability of an independent medical examination to resolve disagreements on appropriate treatment (by an Independent Medical Reviewer on the state-approved list, a Qualified Medical Evaluator on the state-approved list, or an Agreed Medical Examiner upon mutual agreement of the employer and employee), and the right to notice, hearings before an independent tribunal, a means of enforcement against the employer, and benefits (including, but not limited to, temporary and permanent disability, death, supplemental job displacement, and return to work supplement), comparable to those mandated for comparable employees under state law.

(b) The Tribe agrees that it will participate in the State's program for providing unemployment compensation benefits and unemployment compensation disability benefits with respect to employees employed at the Gaming Operation or Gaming Facility, which participation shall include compliance with the provisions of the California Unemployment Insurance Code, and the Tribe consents to the jurisdiction of the State agencies charged with the enforcement of that code and of the courts of the State of California for purposes of enforcement and to effectuate its consent, in the exercise of its sovereignty, the Tribe expressly waives, and also waives its right to assert, its sovereign immunity in connection therewith.

(c) As a matter of comity, the Tribe shall, with respect to all persons employed at the Gaming Operation or Gaming Facility, including nonresidents of California, but excluding persons who are exempt pursuant to California Revenue and Tax Code section 17131.7, withhold all amounts due to the State as provided in the California Unemployment Insurance Code and the California Revenue and Taxation Code and the regulations thereunder, as may be amended, and shall forward such amounts to the State. The Tribe shall file with the Franchise Tax Board a copy of any information return filed with the Secretary of the Treasury, as provided in the California Revenue and Taxation Code and the regulations thereunder, except those pertaining to persons who are exempt pursuant to California Revenue and Tax Code section 17131.7.

Sec. 12.8. Emergency Services Accessibility.

The Tribe shall make reasonable provisions for adequate emergency fire, medical, and related relief and disaster services for patrons and employees of the Gaming Facility.

Sec. 12.9. Alcoholic Beverage Service.

Purchase, sale, and service of alcoholic beverages shall be subject to applicable law.

Sec. 12.10. Possession of Firearms.

The possession of firearms by any person in the Gaming Facility is prohibited at all times, except for federal, state, tribal, or local law enforcement personnel, or tribal security personnel authorized by tribal law and federal or California law to possess firearms at the Gaming Facility.

Sec. 12.11. Labor Relations.

Notwithstanding any other provision of this Compact, and except as otherwise provided by applicable federal law, this Compact shall be null and void if, on or before its effective date, the Tribe has not confirmed the enactment or continuing effect of the Big Sandy Band of Western Mono Indians of California Tribal Labor Relations Ordinance set forth in Appendix B to this Compact, and the Gaming Activities may continue only as long as the Tribe maintains the ordinance.

The Tribe shall provide written notice to the State that it has adopted the ordinance, along with a copy of the ordinance as adopted.

SECTION 13.0. DISPUTE RESOLUTION PROVISIONS.

Sec. 13.1. Voluntary Resolution; Court Resolution.

In recognition of the government-to-government relationship of the Tribe and the State (for purposes of this section 13.0 also referred to as the "party" or "parties"), the parties shall make their best efforts to resolve disputes that arise under this Compact by good-faith negotiations whenever possible. Therefore, except for the right of either party to seek injunctive relief against the other when circumstances are deemed to require immediate relief, the Tribe and the State shall seek to resolve disputes by first meeting and conferring in good faith in order to foster a spirit of cooperation and efficiency in the administration and monitoring of the performance and compliance of the terms, provisions, and conditions of this Compact, as follows:

(a) Either party shall give the other, as soon as possible after the event giving rise to the concern, a written notice setting forth the facts giving rise to the dispute and with specificity, the issues to be resolved.

(b) The other party shall respond in writing to the facts and issues set forth in the notice within fifteen (15) days of receipt of the notice, unless both parties agree in writing to an extension of time.

(c) The parties shall meet and confer in good faith by telephone or in person in an attempt to resolve the dispute through negotiation within thirty (30) days after receipt of the notice set forth in subdivision (a), unless both parties agree in writing to an extension of time.

(d) Disputes that are not otherwise resolved by mutually agreed means may be resolved in the United States District Court in the judicial district where the Tribe's Gaming Facility is located, or if the federal court lacks jurisdiction, in any state court of competent jurisdiction in or over the County. The disputes to be submitted to court action include, but are not limited to, claims of breach of this Compact, and failure to negotiate in good faith as required by the terms of the Compact, provided that the remedies expressly provided in section 13.3, subdivision (a)(ii) are the sole and exclusive remedies available

to either party for issues arising out of this Compact, and supersede any remedies otherwise available, whether at law, tort, contract, or in equity and, notwithstanding any other provision of law or this Compact, neither the State nor the Tribe shall be liable for damages or attorney fees in any action based in whole or in part on issues arising out of this Compact, or based in whole or in part on the fact that the parties have either entered into this Compact, or have obligations under this Compact. The parties are entitled to all rights of appeal permitted by law in the court system in which the action is brought.

(e) In no event may the Tribe be precluded from pursuing any judicial remedy against the State on the ground that the Tribe has failed to exhaust state administrative remedies, and in no event may the State be precluded from pursuing any judicial remedy against the Tribe on the ground that the State has failed to exhaust any tribal administrative remedies.

Sec. 13.2. No Waiver or Preclusion of Other Means of Dispute Resolution.

This section 13.0 may not be construed to waive, limit, or restrict any remedy to address issues not arising out of this Compact that is otherwise available to either the Tribe or the State, nor may this section 13.0 be construed to preclude, limit, or restrict the ability of the parties to pursue, by mutual agreement in writing, any other method of Compact dispute resolution, including, but not limited to, mediation.

Sec. 13.3. Limited Waiver of Sovereign Immunity.

(a) For the purpose of actions based on disputes between the State and the Tribe that arise under this Compact and the judicial enforcement of any judgment or award resulting therefrom, the State and the Tribe expressly waive their right to assert any and all sovereign immunity from suit, including, but not limited to, any immunity under the Eleventh Amendment to the United States Constitution, and enforcement of any ensuing judgment and further consent to be sued in federal or state court, as the case may be, provided that (i) the dispute is limited solely to issues arising under this Compact, (ii) neither the Tribe nor the State makes any claim for restitution or monetary damages (except that payment of any money expressly

required by the terms of this Compact may be sought), and solely injunctive relief, specific performance (including enforcement of a provision of this Compact expressly requiring the payment of money to one or another of the parties), and declaratory relief (limited to a determination of the respective rights and obligations of the parties under the Compact) may be sought, and (iii) nothing herein shall be construed to constitute a waiver of the sovereign immunity of either the Tribe or the State with respect to any claim by any third party.

(b) In the event that intervention, joinder, or other participation by any additional party in any action between the State and the Tribe would result in the waiver of the Tribe's or the State's sovereign immunity as to that additional party, the waivers of either the Tribe or the State provided herein may be revoked, except where joinder is required, as determined by the court, to preserve the court's jurisdiction, in which case the State and the Tribe may not revoke their waivers of sovereign immunity as to each other.

(c) The waivers and consents to jurisdiction expressly provided for under this section 13.0 and elsewhere in the Compact shall extend to all civil actions expressly authorized by this Compact, including, but not limited to, any action to enforce any judgment, and any appellate proceeding emanating from any such proceedings, whether in state or federal court.

(d) Except as stated herein or elsewhere in this Compact, no other waivers or consents to be sued, either express or implied, are granted by either party, whether in state statute or otherwise, including but not limited to California Government Code section 98005. Notwithstanding the foregoing, the Tribe may bring a bad-faith negotiation claim against the State under 25 U.S.C. § 2710(d)(7)(A)(i) should the State either refuse to negotiate for an amended or new compact when the requirements in section 15.0 have been met, or fail to conduct those negotiations in good faith.

Sec. 13.4. Judicial Remedies for Material Breach.

(a) Subsequent to exhausting the section 13.0 dispute resolution provisions, after providing a thirty (30)-day written notice of an opportunity to cure an alleged breach of this Compact, unless the

circumstances are deemed to require immediate relief, either the Tribe or the State (also referred to in this section as "party" or "parties") may bring an action in federal court for a declaration that the other party has materially breached this Compact. If the federal court rules that a party has materially breached this Compact, then the party found to have committed the breach shall have sixty (60) days after the later of entry of a final judgment and the conclusion of any appeals and any filing periods for any further appeal have expired, to cure the material breach, but the non-breaching party may seek to shorten this time in the event of a public health or safety emergency. The court may order additional time to cure the breach if the material breach cannot be cured within sixty (60) days even in good faith and with due diligence.

(b) If the material breach is not cured within the time allowed by the court, then in addition to the declaration of material breach and any equitable remedies explicitly identified in section 13.0 that may have been awarded, the non-breaching party may seek, in the same federal court action, enforcement of the judgment or termination of the Compact as a further judicially imposed remedy. The court may order termination based only on a finding (i) that the respondent party has breached its Compact obligations, and (ii) that the respondent party willfully failed to cure the material breach within the time allowed. Any finding that termination is warranted shall be effective thirty (30) days after issuance of the termination order by the federal district court.

(c) The parties expressly waive, and also waive their right to assert, their sovereign immunity from suit for purposes of an action under this section, subject to the waiver qualifications stated in section 13.3.

SECTION 14.0. EFFECTIVE DATE AND TERM OF COMPACT.

Sec. 14.1. Effective Date.

This Compact shall be effective on January 1, 2025 and only upon the occurrence of both of the following:

(a) The Compact is ratified in accordance with the Tribe's law and state law; and

(b) Notice that the Compact has been approved or deemed approved is published in the Federal Register as provided in 25 U.S.C. § 2710(d)(3)(B).

Sec. 14.2. Term of Compact.

Once effective, this Compact shall be in full force and effect for state law purposes for twenty-five (25) years following the effective date.

SECTION 15.0. AMENDMENTS; RENEGOTIATIONS.

Sec. 15.1. Amendment by Agreement.

The terms and conditions of this Compact may be amended at any time by the mutual and written agreement of the Tribe and the State (also referred to in section 15.0 as "party" or "parties") during the term of this Compact set forth in section 14.2, provided that each party voluntarily consents to such negotiations, including the scope of such negotiations, in writing.

Sec. 15.2. Negotiations for a New Compact.

No sooner than eighteen (18) months before the expiration date of this Compact set forth in section 14.2, either party may request the other party to enter into negotiations to extend the term of this Compact or to enter into a new Class III Gaming compact. If the parties have not agreed to extend the term of this Compact or have not entered into a new compact by the expiration date in section 14.2, this Compact shall automatically be extended for eighteen (18) months. If the parties are engaged in negotiations that both parties agree in writing are proceeding towards conclusion of a new or amended compact, this Compact shall automatically be extended for an additional two (2) years.

Sec. 15.3. Changes in the Law.

If a federal or state court decides that, as a result of a change in the law, a provision of the Compact is invalid or inoperable but also decides that the Compact remains valid and the court's judgment is not stayed pending appeal, the parties shall meet and negotiate in good faith concerning a replacement for that Compact provision and other appropriate related amendments. The parties shall meet within forty-five (45) days after the ruling of invalidity or inoperability becomes effective.

Sec. 15.4. Entitlement to Renegotiate Compact Based on Changed Market Conditions.

Notwithstanding the foregoing sections 15.1 through 15.3, the State shall, within forty-five (45) days of the Tribe's written request, enter into good-faith negotiations with the Tribe to amend this Compact where the stated basis for the Tribe's request is changed conditions that either: (i) materially and adversely affect the Tribe's Gaming Operation such that the Tribe no longer enjoys the benefits otherwise provided by this Compact and the Tribe's obligations under this Compact therefore have become unduly onerous; or (ii) create new opportunities to expand its Gaming Operation beyond the limitations on Gaming Devices or Gaming Facilities in this Compact. The State has no obligation to enter into negotiations unless the Tribe provides information adequate to prove that its request meets the required basis for negotiations pursuant to this section; provided that if the Tribe provides verification that its Net Win revenues have decreased by fifteen percent (15%) or more during any year following the opening or expansion of another tribal gaming facility within sixty (60) miles of the Tribe's Gaming Facility when compared to the year immediately preceding such opening or expansion, the Tribe shall be conclusively deemed to meet the standard stated in (i) above.

Sec. 15.5. Entitlement to Renegotiate Compact Based on State Authorization of New Forms of Class III Gaming.

(a) If after the effective date of this Compact the State authorizes any person to conduct a new form of Class III Gaming not expressly authorized in this Compact, the parties shall, at the Tribe's request, enter into good-faith negotiations to amend section 3.0 of this Compact for the purpose of adding the newly authorized Class III Gaming activity and making other appropriate related amendments.

(b) Without limiting the Tribe's rights under subdivision (a), in the event that a uniform statewide compact amendment is developed in consultation between the State and California federally recognized Indian tribes to address the newly authorized Class III Gaming, the Tribe may choose to adopt the uniform compact amendment to modify section 3.0 of this Compact, subject to the necessary ratification by the California legislature and approval by the United States Department of the Interior.

Sec. 15.6. Requests to Amend or to Negotiate a New Compact.

All requests to amend this Compact or to negotiate to extend the term of this Compact or to negotiate for a new Class III Gaming compact shall be in writing, addressed to the Tribal Chair or the Governor, as the case may be, and shall include the activities or circumstances to be negotiated, together with a statement of the basis supporting the request. If the request meets the requirements of this section and section 15.1, 15.2, 15.3, 15.4, or 15.5, the parties shall confer within forty-five (45) days of the request to determine a schedule for commencing negotiations, and thereafter both parties shall negotiate in good faith. The Tribal Chair and the Governor of the State are hereby authorized to designate the person or agency responsible for conducting the negotiations, and shall execute any documents necessary to do so.

SECTION 16.0. NOTICES.

Unless otherwise indicated by this Compact, any notice required or authorized to be given pursuant to this Compact shall be served by first-class mail at the following addresses, or to such other address as either party may designate by written notice to the other:

Governor
Governor's Office
State Capitol
Sacramento, CA 95814

Tribal Chairperson
Big Sandy Rancheria of Western Mono Indians of California
37387 Auberry Mission Rd.
Auberry, CA 93602

SECTION 17.0. CHANGES TO IGRA.

This Compact is intended to meet the requirements of IGRA as it reads on the effective date of this Compact, and when reference is made to IGRA or to an implementing regulation thereof, the referenced provision is deemed to have been incorporated into this Compact as if set out in full. Subsequent changes to IGRA that diminish the rights of the State or the Tribe may not be applied retroactively to alter the terms of this Compact, except to the extent that federal law validly mandates retroactive application without the State's or the Tribe's respective consent.

SECTION 18.0. MISCELLANEOUS.

Sec. 18.1. Third-Party Beneficiaries.

Notwithstanding any provision of law, this Compact is not intended to, and shall not be construed to, create any right or remedy on the part of a third party or third-party beneficiary to bring an action or proceeding of any nature to enforce any of its terms.

Sec. 18.2. Complete Agreement.

This Compact, together with all appendices, sets forth the full and complete agreement of the Tribe and the State and supersedes, supplants, and extinguishes any prior agreements or understandings with respect to the subject matter hereof.

Sec. 18.3. Construction.

Neither the presence in another tribal-state Class III Gaming compact of language that is not included in this Compact, nor the absence in another tribal-state Class III Gaming compact of language that is present in this Compact shall be a factor in construing the terms of this Compact. In the event of a dispute between the Tribe and the State as to the language of this Compact or the construction or meaning of any term hereof, this Compact will be deemed to have been drafted by the Tribe and the State in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against either party to this Compact.

Sec. 18.4. Successor Provisions.

Wherever this Compact makes reference to a specific statutory provision, regulation, or set of rules or regulations, it also applies to the provision, regulation, or set of rules or regulations, as they may be amended from time to time, and any successor provision, regulation, or set of rules or regulations. Within thirty (30) days of the discovery of the adoption of any subsequent amendment of such statutory provision, regulation, or rules or any successor provision (Amendment), either the Tribe or the State may give notice of its position that the Amendment does not apply to the Compact. If the State and the Tribe agree that the Amendment does not apply to the Compact, that agreement shall be memorialized in a written agreement. If the State and the Tribe do not agree that the Amendment applies to the Compact, the State and the Tribe shall resolve the dispute in accordance with section 13.0 of this Compact.

Sec. 18.5. Ordinances and Regulations.

Whenever the Tribe adopts or materially amends any ordinance or regulations required to be adopted or maintained under this Compact, in addition to any other Compact obligations to provide a copy to others, the Tribe shall provide a copy of the adopted or materially amended ordinance or regulations to the State Gaming Agency within thirty (30) days of the effective date of such ordinance or regulations and the State Gaming Agency shall provide the Tribe with written confirmation of receipt of the ordinance or regulations within thirty (30) days of receipt thereof.

Sec. 18.6. Calculation of Time.

In computing any period of time prescribed by this Compact, the day of the event 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 Tribe's laws, the State's law, or federal law, in which case the last day of such period shall be the next business day following the Saturday, Sunday or applicable legal holiday. Unless otherwise specifically provided herein, the term "days" shall be construed as calendar days.

Sec. 18.7. Force Majeure.

In the event of a force majeure event, including but not limited to: an act of God; accident; fire; flood; earthquake or other natural disaster; strike or other labor dispute; riot or civil commotion; act of public enemy; enactment of any rule, order or act of a government or governmental instrumentality; effects of an extended restriction of energy use; epidemics or pandemics; and other causes of a similar nature beyond the Tribe's control that cause the Tribe's Gaming Operation or Gaming Facility to be inoperable or operate at significantly less capacity, or be unable to meet one (1) or more of its obligations under this Compact; the Tribe and the State agree to meet and confer for the purpose of discussing the event and appropriate actions, if any, given the circumstances, including the potential for the waiver or deferral of Compact payment obligations. In the instance that a force majeure event impacts more than fifty percent (50%) of tribal gaming operations located in California, the State and the Tribe agree to allow the State to elect to meet and confer with several or all gaming tribes that have been impacted by the force majeure event for the purpose of discussing the event and appropriate actions, if any, given the circumstances.

If the Tribe and the State cannot agree that a force majeure event has occurred or on an appropriate action to remedy the force majeure event within fourteen (14) days after the initial meeting between the parties to discuss the matter, unless both the Tribe and the State agree in writing to an extension of this time, either the Tribe or the State may submit the matter to dispute resolution under section 13.0 of this Compact.

Sec. 18.8. Representations.

(a) The Tribe expressly represents that as of the date of the undersigned's execution of this Compact the undersigned has the authority to execute this Compact on behalf of the Tribe, including any waiver of sovereign immunity and the right to assert sovereign immunity therein, and will provide written proof of such authority and of the ratification of this Compact by the tribal governing body to the Governor no later than thirty (30) days after the execution of this Compact by the undersigned.

(b) The Tribe further represents that it is (i) recognized as eligible by the Secretary of the Department of the Interior for special programs and services provided by the United States to Indians because of their status as Indians, and (ii) recognized by the Secretary of the Department of the Interior as possessing powers of self-government.

(c) In entering into this Compact, the State expressly relies upon the foregoing representations by the Tribe, and the State's entry into the Compact is expressly made contingent upon the truth of those representations as of the date of the Tribe's execution of this Compact through the undersigned. If the Tribe fails to timely provide written proof of the undersigned's aforesaid authority to execute this Compact or written proof of ratification by the Tribe's governing body, the Governor shall have the right to declare this Compact null and void.

(d) In the event the Tribe (i) asserts in any dispute between the Tribe and the State that the undersigned lacked the authority to execute this Compact on behalf of the Tribe, or (ii) in any Compact-related dispute in the limited contexts set forth in this Compact, including, but not limited to, the Compact provisions governing tort, workers' compensation, patron, or employment discrimination claims, whether or not involving the State, asserts that its waiver of sovereign

immunity is not valid based upon a claim by the Tribe that the representations regarding the authority to waive or the waiver did not comply with the Tribe's laws, then the State and the Tribe agree that the Tribe shall lose all rights to conduct Class III Gaming under the terms of this Compact. If the Tribe otherwise identifies a potential defect regarding the authority of the undersigned to execute this Compact or the effectiveness of the limited waivers of the Tribe's sovereign immunity, and takes action to resolve the defect, the Tribe's right to conduct Class III Gaming under the terms of this Compact are not implicated unless and until the Tribe makes the assertions specified in (i) or (ii) above.

(1) The Tribe shall give written notice to the State of its intent to assert either that the undersigned lacked authority to execute this Compact on behalf of the Tribe or that its waiver of sovereign immunity is not valid for the reasons stated in this subdivision at least fourteen (14) days before making that assertion, and shall cease conducting Class III Gaming within thirty (30) days of making the assertion.

(2) Within fourteen (14) days after identifying a potential defect regarding the authority of the undersigned to execute this Compact or the effectiveness of the limited waivers of the Tribe's sovereign immunity as stated in the Compact, the Tribe shall give written notice to the State of the facts related to the potential defect and the specific actions the Tribe is taking to cure the potential defect.

(e) This Compact shall not be presented to the California State Legislature for a ratification vote until the Tribe has provided the written proof required in subdivision (a) to the Governor.

IN WITNESS WHEREOF, the undersigned sign this Compact on behalf of the State of California and the Big Sandy Rancheria of Western Mono Indians of California.

STATE OF CALIFORNIA

By Gavin Newsom
Governor of the State of California

Executed this 10 day of January, 2023, at Sacramento, California

BIG SANDY RANCHERIA OF WESTERN MONO INDIANS OF CALIFORNIA

By Elizabeth D. Kipp
Chairperson of the Big Sandy Rancheria of Western Mono Indians of California

Executed this 13th day of December, 2023, at Auberry, California

ATTEST:

Shirley N. Weber, Ph.D.
Secretary of State, State of California

APPENDICES

A. Description and Maps of the Big Sandy Rancheria of Western Mono Indians of California's Gaming Eligible Land A-1

B. Big Sandy Band of Western Mono Indians of California Labor Relations Ordinance B-1

C. Off-Track Satellite Wagering C-1

APPENDIX A

Description of the Big Sandy Rancheria of Western Mono Indians of California's Gaming Eligible Land

The following parcels of land located in the County of Fresno, State of California are eligible for gaming conducted by the Big Sandy Rancheria of Western Mono Indians of California:

Bureau of Indian Affairs Tract Numbers: T1075, T1084, T1085, T1087, T1094, T1095, T1114, T1147, T5306, T5348, T5349, and T5437.

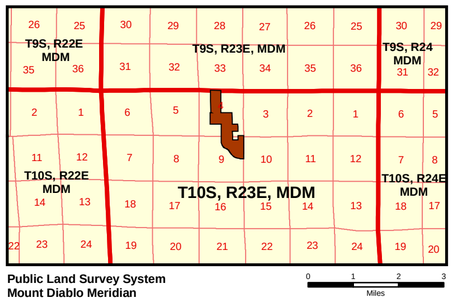
APNs: 128-360-02, 128-360-03, 128-381-01, 128-381-02, 128-382-08, 128-391-04, 128-392-01, 128-392-09 (portion), 128-391-06, 128-391-07, and 128-402-01, and 138-061-40T.

[MAPS REFLECTING LAND ON NEXT PAGES]

U.S. DEPARTMENT OF INTERIOR
Bureau of Indian Affairs
Pacific Regional Office
Land Title and Records

Big Sandy Rancheria
Fresno County, California

LAND STATUS
As of January, 2011



LEGEND

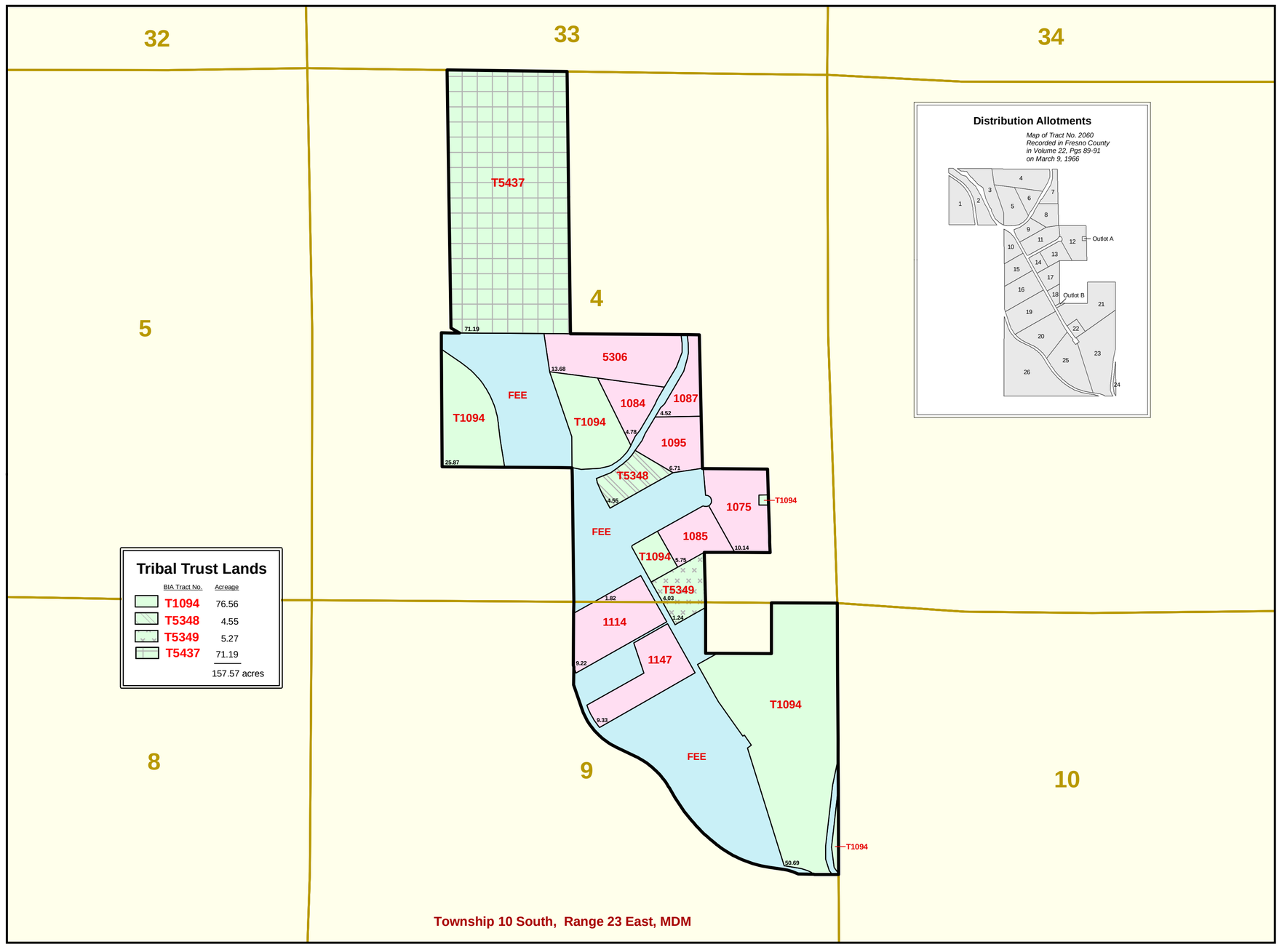
Tract Status

- Tribal Tract
- Allotted Tract
- Fee Land
- T5070 — Allotment or Tract Number
- 5.07 — Acreage of Tract (by section)

Land Survey Status

- 32 — Public Land Survey Section
- 2 — BLM Lot and Lot Number
- 32.95 — Acreage of BLM Lot
- Streams and Lakes

Ownership status shown is subject to revision after audit of records.



California Indian Trust Land

U.S. Bureau of Indian Affairs
Pacific Regional Office - Division of Real Estate Services
2800 Cottage Way, Suite W-2619
Sacramento, California 95825 Ph. (916) 978-6000

Projection: California State Plane Zone IV
Datum: North American Datum 1983 Spheroid: GRS 1980

Agency Jurisdiction and Area of Interest

SCALE:
0 500 1,000 1,500 2,000 2,500 3,000 3,500 4,000 Feet
0 100 200 300 400 500 600 700 800 900 1,000 Meters

DISCLAIMER:
This map does not address encroachments or questions of location, boundary, and area, which an accurate survey may disclose. It is to be used as an illustration only as no liability for damages arising from errors or omissions is assumed. The appropriate office of public land records should be consulted in determining current ownership of those lands depicted on this map as being outside BIA jurisdiction.

Sheet No. 1 of 1

Pacific Region

Big Sandy (506) Ver. 2

Cartographer: Jamie Schubert

Map Date: 01/21/2011

Project Name/Location: *X:\Graphics\LS_map_MXD\Big_Sandy_ARCH_C.mxd*

BIG SANDY 506

BIG SANDY 506

Appendix A

10/18/2023, 12:27:15 PM

1:14,332

0 0.13 0.25 0.5 mi

0 0.23 0.45 0.9 km

Fresno County Dept. PWP, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA, Esri, HERE

Web AppBuilder for ArcGIS
Fresno County Dept. PWP, Bureau of Land Management, Esri, HERE, Garmin, GeoTechnologies, Inc., Intermap, USGS, EPA | Esri, HERE |

APPENDIX B

BIG SANDY BAND OF WESTERN MONO INDIANS OF CALIFORNIA LABOR RELATIONS ORDINANCE

CHAPTER 1 – GENERAL PROVISIONS

Section 1-1. Title

This Ordinance shall be known as the Big Sandy Band of Western Mono Indians of California Labor Relations Ordinance (or "Ordinance").

Section 1-2. Authority

This Ordinance is adopted pursuant to the sovereign authority of the Big Sandy Band of Western Mono Indians of California ("Tribe") and the authority granted to the Tribal Council, the governing body of the Tribe, described in Article VI, Section 1(e) of the Tribe's Constitution, to promulgate and enforce ordinances on any subject that may be required by the activities of the Tribe.

Section 1-3. Threshold of Applicability

(a) This Ordinance shall apply only if the Tribe employs two hundred fifty (250) or more persons, not including the Big Sandy Rancheria of Western Mono Indians of California's enrolled members, in a tribal casino and related facility. For purposes of this Ordinance, "Tribe" shall include any person or entity that operates a tribal casino on the Tribe's behalf, and a "tribal casino" is one in which class III gaming is conducted pursuant to the tribal-state compact. A "related facility" is one for which the only significant purpose is to facilitate patronage of the class III gaming operations.

(b) Upon the request of a labor union (also referred to as "union," "employee organization" or "labor organization") that seeks or may in the future seek to represent a bargaining unit of the Tribe's Eligible Employees, as defined in Section 1-4, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, the Tribal Gaming Commission or Tribal Gaming Agency (hereinafter referred to as the "Tribal Gaming Commission") shall

certify the number of employees, not including enrolled members of the Tribe, in a tribal casino or related facility as those terms are defined in subsection (a) of this Section 1-3. Either party may dispute the certification of the Tribal Gaming Commission to the Tribal Labor Panel, the creation of which is set forth in Chapter 13 herein. Notwithstanding the foregoing, if a labor union has filed a petition for an election under Section 9 of the National Labor Relations Act ("NLRA") to represent a bargaining unit of the Tribe's Eligible Employees, that labor union may not seek an election under this Ordinance for one year (365 days) after the date of filing the election petition under the NLRA so long as all of the following conditions are met:

(1) The Tribe has not, in response to the election petition or a related case or proceeding, contested the National Labor Relations Board's jurisdiction over the tribal casino and related facility; and

(2) The National Labor Relations Board has not declined jurisdiction over the labor union's petition for an election; and

(3) The Tribe has complied with its obligations under Chapter 4 of this Ordinance during the previous three hundred sixty-five (365) days.

Section 1-4. Definition of Eligible Employees

(a) The provisions of this Ordinance shall apply to any person (hereinafter "Eligible Employee") who is employed within a tribal casino in which class III gaming is conducted pursuant to a tribal-state compact, or in a related facility except for any of the following:

(1) any employee who is a supervisor, defined as any individual having authority, in the interest of the Tribe and/or employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign (including scheduling), reward, or discipline other employees, or responsibility to direct them or to adjust their grievances, or effectively to recommend such action, if in connection with the foregoing the exercise of such authority is

not of a merely routine or clerical nature, but requires the use of independent judgment;

(2) any employee of the Tribal Gaming Commission;

(3) any employee of the security or surveillance department, other than those who are responsible for the technical repair and maintenance of equipment;

(4) any cash operations employee who is a "cage" employee or money counter; or

(5) any dealer.

(b) On March 1 of each year, the Tribal Gaming Commission shall certify the number of Eligible Employees employed by the Tribe to the administrator of the Tribal Labor Panel.

Section 1-5. Prior Inconsistent Law

Upon the effective date of this Ordinance, all prior codes, ordinances, resolutions, policies, and/or procedures of the Tribe or any Gaming Operation regarding labor relations are hereby repealed by this Ordinance; provided, that any complaint, claim, or procedure commenced before the effective date of the Ordinance shall be subject to the relevant terms and conditions of the provisions then in effect.

Section 1-6. Effective Date

This Ordinance shall take effect on the date of enactment and shall apply only to those complaints, claims, or procedures that occur on or after the effective date.

CHAPTER 2 – NON-INTERFERENCE WITH REGULATORY OR SECURITY ACTIVITIES

Operation of this Ordinance shall not interfere in any way with the duty of the Tribal Gaming Commission to regulate the gaming operation in accordance with the Tribe's National Indian Gaming Commission-approved gaming ordinance and/or the compact. Furthermore, the exercise of rights hereunder shall in no way interfere with the tribal casino's surveillance/security systems, or any other internal controls system designed to protect the integrity of the Tribe's gaming

operations. The Tribal Gaming Commission is specifically excluded from the definition of Tribe and its agents.

CHAPTER 3 – ELIGIBLE EMPLOYEES FREE TO ENGAGE IN OR REFRAIN FROM CONCERTED ACTIVITY

Eligible Employees shall have the right to self-organization, to form, to join, or assist employee organizations, to bargain collectively through representatives of their own choosing, to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all such activities.

CHAPTER 4 – UNFAIR LABOR PRACTICES FOR THE TRIBE

It shall be an unfair labor practice for the Tribe and/or employer or their agents:

(a) to interfere with, restrain or coerce Eligible Employees in the exercise of the rights guaranteed herein;

(b) to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it, but this does not restrict the Tribe and/or employer and a certified union from agreeing to union security or dues check off;

(c) to discharge or otherwise discriminate against an Eligible Employee because s/he has filed charges or given testimony under this Ordinance; or

(d) after certification of the labor organization pursuant to Chapter 9, to refuse to bargain collectively with the representatives of Eligible Employees.

CHAPTER 5 – UNFAIR LABOR PRACTICES FOR THE LABOR ORGANIZATION

It shall be an unfair labor practice for a labor organization or its agents:

(a) to interfere, restrain or coerce Eligible Employees in the exercise of the rights guaranteed herein;

(b) to engage in, or to induce or encourage any individual employed by any person engaged in commerce or in an industry affecting commerce to engage in, a strike or a primary or secondary boycott or a refusal in the course of his/her employment to use, manufacture, process, transport or otherwise handle or work on any goods, articles, materials, or commodities or to perform any services; or to threaten, coerce, or restrain any person engaged in commerce or in an industry affecting commerce or other terms and conditions of employment. This section does not apply to Chapter 10;

(c) to force or require the Tribe, casino and/or employer to recognize or bargain with a particular labor organization as the representative of Eligible Employees if another labor organization has been certified as the representative of such Eligible Employees under the provisions of this Ordinance;

(d) to refuse to bargain collectively with the Tribe, casino and/or employer, provided it is the representative of Eligible Employees subject to the provisions herein; or

(e) to attempt to influence the outcome of a tribal governmental election, provided, however, that this subsection (e) does not apply to tribal members.

CHAPTER 6 – TRIBE AND UNION RIGHT TO FREE SPEECH

(a) The Tribe's and the union's expression of any view, argument or opinion or the dissemination thereof, whether in written, printed, graphic or visual form, shall not constitute or be evidence of interference with, restraint, or coercion if such expression contains no threat of reprisal or force or promise of benefit.

(b) The Tribe agrees that if a union first offers in writing that it and its local affiliates will comply with (b)(1) and (b)(2), the Tribe shall comply with the provisions of (c) and (d).

(1) For a period of three hundred sixty-five (365) days following delivery of a Notice of Intent to Organize ("NOIO") to the Tribe the union shall:

(A) not engage in strikes, picketing, boycotts, attack websites, or other economic activity at or in relation to the tribal casino or related facility; and refrain from engaging in strike-related picketing on Indian lands as defined in 25 U.S.C. § 2703(4);

(B) not disparage the Tribe for purposes of organizing Eligible Employees;

(C) not attempt to influence the outcome of a tribal government election or other tribal governmental decision so long as the decision is unrelated to Eligible Employees or the subject-matter of this Ordinance; provided, however, that this prohibition does not apply to tribal members; and

(D) during the three hundred sixty-five (365) days after the Tribe received the NOIO, the union must collect dated and signed authorization cards pursuant to Chapter 9 herein and complete the secret ballot election also in Chapter 9 herein. Failure to complete the secret ballot election within a period of three hundred sixty-five (365) days after the Tribe received the NOIO shall mean that the union shall not be permitted to deliver another NOIO for a period of two years (730 days) from the date the Tribe received the NOIO.

(2) Resolve all issues, including collective bargaining impasses, through the binding dispute resolution mechanisms set forth in Chapter 12 herein.

(c) Upon receipt of a NOIO, the Tribe shall:

(1) within five (5) business days provide to the union an election eligibility list containing the full first and last names of the Eligible Employees within the sought-after bargaining unit and the Eligible Employees' last known addresses, telephone numbers and email addresses;

(2) for a period of three hundred sixty-five (365) days thereafter, not take any action or make any statement that directly or indirectly states or implies any opposition to the selection by such employees of a collective bargaining agent, or preference for or opposition to any particular union as a bargaining agent. This includes refraining from making derisive comments about unions; publishing or posting pamphlets, fliers, letters, posters or any other communication which could reasonably be interpreted as criticizing the union or advising Eligible Employees to vote "no" against the union. However, the Tribe shall be free at all times to fully inform Eligible Employees about the terms and conditions of employment it provides to employees and the advantages of working for the Tribe; and

(3) resolve all issues, including collective bargaining impasses, through the binding dispute resolution mechanisms set forth in Chapter 12 herein.

(d) The union's offer in subsection (b) of this Chapter 6 shall be deemed an offer to accept the entirety of this Ordinance as a bilateral contract between the Tribe and the union, and the Tribe agrees to accept such offer. By entering into such bilateral contract, the union and Tribe mutually waive any right to file any form of action or proceeding with the National Labor Relations Board for the three hundred sixty-five (365)-day period following the Tribe's receipt of the NOIO.

(e) The Tribe shall mandate that any person or entity responsible for all or part of the operation of the casino and related facility shall assume the obligations of the Tribe under this Ordinance. If the Tribe enters into a management contract, and at the time the management contract is in effect the Tribe recognizes a labor organization as the representative of Eligible Employees, certified pursuant to this Ordinance, the labor organization will provide the management contractor, upon request, the election officer's certification which constitutes evidence that the labor organization has been determined to be the majority representative of the Tribe's Eligible Employees in the sought-after bargaining unit.

(f) If the Tribe fails to comply with any obligation under this Chapter, including the time limits, the Tribe shall recognize the union as the

collective bargaining representative of any unit of Eligible Employees, contingent upon and following certification by a member of the Tribal Labor Panel pursuant to Chapter 9 that a majority of such Eligible Employees have selected the union to serve as their representative. Upon request by the Tribal Labor Panel member, the Tribe shall provide a list of Eligible Employees in the unit and signature exemplars.

CHAPTER 7 – ACCESS TO ELIGIBLE EMPLOYEES

(a) Access shall be granted to the union for the purposes of organizing Eligible Employees, provided that such organizing activity shall not interfere with patronage of the casino or related facility or with the normal work routine of the Eligible Employees and shall be done on non-work time in non-work areas that are designated as employee break rooms or locker rooms that are not open to the public. The Tribe may require the union and/or union organizers to be subject to the same licensing rules applied to individuals or entities with similar levels of access to the casino or related facility, provided that such licensing shall not be unreasonable, discriminatory, or designed to impede access.

(b) The Tribe, in its sole discretion, may also designate additional voluntary access to the union in such areas as employee parking lots and non-casino facilities located on tribal lands.

(c) In determining whether organizing activities potentially interfere with normal tribal work routines, the union's activities shall not be permitted if the Tribal Labor Panel determines that they compromise the operation of the casino's:

(1) security and surveillance systems throughout the casino and reservation;

(2) access limitations designed to ensure security;

(3) internal controls designed to ensure security and approved by the Tribal Gaming Commission or Agency consistent with the compact; or

(4) other systems designed to protect the integrity of the Tribe's gaming operations, tribal property and/or safety of casino personnel, patrons, employees or tribal members, residents, guests or invitees.

(d) The Tribe agrees to facilitate the dissemination of information from the union to Eligible Employees at the tribal casino by allowing posters, leaflets and other written materials to be posted in non-public employee break areas where the Tribe already posts or permits the posting of announcements pertaining to Eligible Employees. Actual posting of such posters, notices, and other materials shall be by Eligible Employees desiring to post such materials, at such times and in such manner as is permitted for the posting of other employee materials, provided that such rules do not interfere with or delay the exercise of rights created by the Chapter.

CHAPTER 8 – INDIAN PREFERENCE EXPLICITLY PERMITTED

Nothing herein shall preclude the Tribe from giving Indian preference in employment, promotion, seniority, lay-offs or retention to members of any federally recognized Indian tribe or shall in any way affect the Tribe's right to follow tribal law, ordinances, personnel policies or the Tribe's customs or traditions regarding Indian preference in employment, promotion, seniority, lay-offs or retention. Moreover, in the event of a conflict between tribal law, tribal ordinance or the Tribe's customs and traditions regarding Indian preference and this Ordinance, the tribal law, tribal ordinance, or the Tribe's customs and traditions shall govern.

CHAPTER 9 – SECRET BALLOT ELECTIONS

(a) The election officer shall be chosen within five (5) business days of notification by the labor organization to the Tribe and the administrator of the Tribal Labor Panel of its intention to present authorization cards, and the same election officer shall preside thereafter for all proceedings under the request for recognition; provided, however, that if the election officer resigns, dies, or is incapacitated for any other reason from performing the functions of this office, a substitute election officer shall be selected in accordance with the dispute resolution provisions herein. Dated and signed authorization cards from thirty percent (30%) or more of the

Eligible Employees within the bargaining unit verified by the elections officer will result in the conduct of a secret ballot election. The election officer shall make a determination as to whether the required thirty percent (30%) showing has been made within three (3) business days after the submission of authorization cards. If the election officer determines the required thirty percent (30%) showing of interest has been made, the election officer shall issue a notice of election. The election shall be concluded within thirty (30) calendar days of the issuance of the notice of election.

(b) Upon the showing of interest to the election officer pursuant to subsection (a), within three (3) business days the Tribe shall provide to the union an election eligibility list containing the full first and last names of the Eligible Employees within the sought after bargaining unit and the Eligible Employees' last known addresses, telephone numbers and email addresses. Nothing herein shall preclude a Tribe from voluntarily providing an election eligibility list at an earlier point of a union organizing campaign with or without an election.

(c) The election shall be conducted by the election officer by secret ballot pursuant to procedures set forth in a consent election agreement in substantially the same form as Attachment 1. In the event either that a party refuses to enter into the consent election agreement or that the parties do not agree on the terms, the election officer shall issue an order that conforms to the terms of the form consent election agreement and shall have authority to decide any terms upon which the parties have not agreed, after giving the parties the opportunity to present their views in writing or in a telephonic conference call. The election officer shall be a member of the Tribal Labor Panel chosen pursuant to the dispute resolution provisions herein at Chapter 12(b)(2). All questions concerning representation of the Tribe and/or Eligible Employees by a labor organization shall be resolved by the election officer.

(d) The election officer shall certify the labor organization as the exclusive collective bargaining representative of a unit of employees if the labor organization has received the support of a majority of the bargaining unit's Eligible Employees in a secret ballot election that the election officer determines to have been conducted fairly. The numerical threshold for certification is fifty percent (50%) of the

Eligible Employees in the bargaining unit plus one (1). If the election officer determines that the election was conducted unfairly due to misconduct by the Tribe and/or employer or the union, the election officer may order a re-run election. If the election officer determines that there was the commission of serious Unfair Labor Practices by the Tribe, or in the event the union made the offer provided for in Chapter 6(b) and that the Tribe violated its obligations under Chapter 6(c), in a way that interferes with the election process and precludes the holding of a fair election, and the labor organization is able to demonstrate that it had the support of a majority of the employees in the bargaining unit at any time before or during the course of the Tribe's misconduct, the election officer shall certify the labor organization as the exclusive bargaining representative. If the election officer determines that the union committed serious unfair labor practices during the three hundred sixty-five (365) days after the Tribe received the NOIO in a way that precludes holding a fair election, the election officer may delay the election until a time when the election officer determines that a fair election may be held.

(e) The Tribe or the union may appeal within five (5) days any decision rendered after the date of the election by the election officer to a three (3)-member panel of the Tribal Labor Panel mutually chosen by both parties, provided that the Tribal Labor Panel must issue a decision within thirty (30) days after receiving the appeal.

(f) A union that loses an election and has exhausted all dispute remedies related to the election may not invoke any provisions of this Ordinance at that particular casino or related facility until one (1) year after the election was lost.

CHAPTER 10 – COLLECTIVE BARGAINING IMPASSE

(a) Upon recognition, the Tribe and the union will negotiate in good faith for a collective bargaining agreement covering bargaining unit employees represented by the union.

(b) If collective bargaining negotiations result in impasse, the union shall have the right to strike. No strike-related picketing may be conducted on the Tribe's Indian lands as defined in 25 U.S.C. § 2703(4).

(c) Where the union makes the offer set forth in Chapter 6(b), if collective bargaining negotiations result in impasse, the matter shall be resolved as set forth in Chapter 12(c).

CHAPTER 11 – DECERTIFICATION OF BARGAINING AGENT

(a) The filing with the election officer of a petition signed by thirty percent (30%) or more of the Eligible Employees in a bargaining unit seeking the decertification of a certified union, will result in a secret ballot election. The election officer shall make a determination as to whether the required thirty percent (30%) showing has been made within three (3) business days after the submission of the petition. If the election officer determines the required thirty percent (30%) showing of interest has been made, the election officer shall issue a notice of election. The election shall be concluded within thirty (30) calendar days of the issuance of the notice of election.

(b) The election shall be conducted by an election officer by secret ballot pursuant to procedures set forth in a consent election agreement in substantially the same form as Attachment 1. The election officer shall be a member of the Tribal Labor Panel chosen pursuant to the dispute resolution provisions herein. All questions concerning the decertification of the union shall be resolved by the election officer. The election officer shall be chosen upon notification to the Tribe and the union of the intent of the Eligible Employees to present a decertification petition, and the same election officer shall preside thereafter for all proceedings under the request for decertification; *provided* however that if the election officer resigns, dies or is incapacitated for any other reason from performing the functions of this office, a substitute election officer shall be selected in accordance with the dispute resolution provisions herein.

(c) The election officer shall order the labor organization decertified as the exclusive collective bargaining representative of the bargaining

unit if a majority of the Eligible Employees support decertification of the labor organization in a secret ballot election that the election officer determines to have been conducted fairly. The numerical threshold for decertification is fifty percent (50%) of the Eligible Employees in the bargaining unit plus one (1). If the election officer determines that the election was conducted unfairly due to misconduct by the Tribe and/or employer or the union, the election officer may order a re-run election or dismiss the decertification petition.

(d) A decertification proceeding may not begin until one (1) year after the certification of a labor union if there is no collective bargaining agreement. Where there is a collective bargaining agreement, a decertification petition may only be filed no more than ninety (90) days and no less than sixty (60) days prior to the expiration of a collective bargaining agreement. A decertification petition may be filed any time after the expiration of a collective bargaining agreement.

(e) The Tribe or the union may appeal within five (5) days any decision rendered after the date of the election by the election officer to a three (3) member panel of the Tribal Labor Panel chosen in accordance with Chapter 12(b), provided that the Tribal Labor Panel must issue a decision within thirty (30) days after receiving the appeal.

CHAPTER 12 – BINDING DISPUTE RESOLUTION MECHANISM

(a) All issues shall be resolved exclusively through the binding dispute resolution mechanisms herein.

(b) The method of binding dispute resolution shall be a resolution by the Tribal Labor Panel, consisting of ten (10) arbitrators appointed by mutual selection of the parties, which panel shall serve all tribes that have adopted this or any tribal labor relations ordinance adopted pursuant to a compact with the State of California. The Tribal Labor Panel shall have authority to hire staff and take other actions necessary to conduct elections, determine units, determine scope of negotiations, hold hearings, subpoena witnesses, take testimony, and

conduct all other activities needed to fulfill its obligations under this Ordinance.

(1) Each member of the Tribal Labor Panel shall have relevant experience in federal labor law and/or federal Indian law, with preference given to those with experience in both. Names of individuals may be provided by such sources as, but not limited to, Indian Dispute Resolution Services, Federal Mediation and Conciliation Service, and the American Academy of Arbitrators.

(2) One arbitrator from the Tribal Labor Panel will render a binding decision on the dispute under the Ordinance. Five (5) Tribal Labor Panel members' names shall be submitted to the parties and each party may strike no more than two (2) names. If the dispute will be decided by a three (3)-member panel, seven (7) Tribal Labor Panel names will be submitted and each party can strike no more than two (2) names. A coin toss shall determine which party may strike the first name. The arbitrator will generally follow the American Arbitration Association's procedural rules relating to labor dispute resolution, as well as substantive federal decisional law under Section 301 of the Labor Management Relations Act. The arbitrator must render a written, binding decision that complies in all respects with the provisions of this Ordinance within thirty (30) days after a hearing.

(c) (1) Upon certification of a union in accordance with Chapter 6 or 9 of this Ordinance, the Tribe and union shall negotiate for a period of ninety (90) days after certification. If, at the conclusion of the ninety (90)-day period, no collective bargaining agreement is reached and either the union and/or the Tribe believes negotiations are at an impasse, at the request of either party, the matter shall be submitted to mediation with the Federal Mediation and Conciliation Service. The costs of mediation and conciliation shall be borne equally by the parties.

(2) Upon appointment, the mediator shall immediately schedule meetings at a time and location reasonably accessible to the

parties. Mediation shall proceed for a period of thirty (30) days. Upon expiration of the thirty (30)-day period, if the parties do not resolve the issues to their mutual satisfaction, the mediator shall certify that the mediation process has been exhausted. Upon mutual agreement of the parties, the mediator may extend the mediation period.

(3) Within twenty-one (21) days after the conclusion of mediation, the mediator shall file a report that resolves all of the issues between the parties and establishes the final terms of a collective bargaining agreement, including all issues subject to mediation and all issues resolved by the parties prior to the certification of the exhaustion of the mediation process. With respect to any issues in dispute between the parties, the report shall include the basis for the mediator's determination. The mediator's determination shall be supported by the record.

(4) In resolving the issues in dispute, the mediator may consider those factors commonly considered in similar proceedings.

(d) Either party may seek a motion to compel arbitration or a motion to confirm or vacate an arbitration award under this Chapter 12 without exhausting tribal remedies in the appropriate state superior court, unless a bilateral contract has been created in accordance with Chapter 6, in which case either party may proceed in federal court. The Tribe agrees to a limited waiver of its sovereign immunity for the sole purpose of compelling arbitration or confirming or vacating an arbitration award issued pursuant to the Ordinance in the appropriate state superior court or in federal court. The parties are free to put at issue whether or not the arbitration award exceeds the authority of the Tribal Labor Panel. Any party unsuccessfully challenging its duty to arbitrate or to comply with an arbitral award shall be liable for the other party's attorney's fees and other expenses of litigation.

Attachment 1

CONSENT ELECTION AGREEMENT PROCEDURES

Pursuant to the Tribal Labor Relations Ordinance adopted pursuant to section 12.0 of the Tribe's compact, the undersigned parties hereby agree as follows:

1. Jurisdiction. [Tribe] is an employer within the meaning of the Ordinance; and each employee organization named on the ballot is an employee organization within the meaning of the Ordinance; and the employees described in the voting unit are Eligible Employees within the meaning of the Ordinance.

2. Election. An election by secret ballot shall be held under the supervision of the elections officer among the bargaining unit's Eligible Employees of the Tribe named above, and in the manner described below, to determine which employee organization, if any, shall be certified to represent such employees pursuant to the Ordinance.

3. Voter Eligibility. Unless otherwise indicated below, the eligible voters shall be all Eligible Employees within the requested bargaining unit who were employed on the eligibility cutoff date indicated below, and who are still employed on the date they cast their ballots in the election, *i.e.*, the date the voted ballot is received by the elections officer. Eligible Employees who are ill, on vacation, on leave of absence or sabbatical, temporarily laid off, and employees who are in the military service of the United States shall be eligible to vote.

4. Voter Lists. The Tribe shall electronically file with the elections officer a list of eligible voters within three (3) business days after receipt of a Notice of Election.

5. Notice of Election. The elections officer shall serve Notices of Election on the Tribe and on each party to the election. The Notice of Election shall contain a sample ballot, a description of the voting unit and information regarding the balloting process. Upon receipt, the Tribe shall post such Notice of Election conspicuously on all employee bulletin boards in each area of the facility in which members of the voting unit are employed. Once a Notice of Election is posted, where the union has made the written offer set forth in Chapter 6(b) of the Tribal Labor Relations Ordinance, the Tribe shall continue to refrain from publishing or posting pamphlets, fliers, letters, posters or any other communication

which should be interpreted as criticism of the union or advises employees to vote "no" against the union. The Tribe shall be free at all times to fully inform employees about the terms and conditions of employment it provides to employees and the advantages of working for the Tribe.

6. Challenges. The elections officer or an authorized agent of any party to the election may challenge, for good cause, the eligibility of a voter. Any challenges shall be made prior to the tally of the ballots.

7. Tally of Ballots. At the time and place indicated below, ballots shall be co-mingled and tabulated by the elections officer. Each party shall be allowed to station an authorized agent at the ballot count to verify the tally of ballots. At the conclusion of the counting, the elections officer shall serve a Tally of Ballots on each party.

8. Objections and Post-election Procedures. Objections to the conduct of the election may be filed with the elections officer within five (5) calendar days following the service of the Tally of Ballots. Service and proof of service is required.

9. Runoff Election. In the event a runoff election is necessary, it shall be conducted at the direction of the elections officer.

10. Wording on Ballot. The choices on the ballot shall appear in the wording and order enumerated below.

FIRST: [***]

SECOND: [***]

THIRD: [***]

11. Cutoff Date for Voter Eligibility: [***]

12. Description of the Balloting Process. A secret ballot election will take place within thirty (30) days after delivery of the voter list referenced in paragraph 4. The employer will determine the location or locations of the polling places for the election. There must be at least one (1) neutral location (such as a high school, senior center, or similar facility) that is not within the Gaming Facility or subject to the gaming facility's surveillance system, and employees must also be afforded the

option of voting by mail through procedures established by the election officer. Such procedures must include provisions that provide meaningful protection for each employee's ability to make an informed and voluntary individual choice on the issue of whether to accept or reject a union. Such procedures must also ensure that neither Tribe, employer nor union representatives shall observe employees personally marking, signing, or placing their ballot in the envelope. Only voters, designated observers and the election officer or supporting staff can be present in the polling area. Neither Tribe, employer nor union representatives may campaign in or near the polling area. If the election officer or supporting staff questions an employee's eligibility to vote in the election, the ballot will be placed in a sealed envelope until the employee's eligibility is determined. The box will be opened under the supervision of the election officer when voting is finished. Ballots submitted by mail must be received by the elections officer no later than the day before the election in order to be counted in the official tally of ballots.

13. Voter List Format and Filing Deadline: Not later than three (3) business days after receipt of the Notice of Election, the Tribe shall file with the elections officer, at [**address**], an alphabetical list of all eligible voters including their job titles, work locations and home addresses.

Copies of the list shall be served concurrently on the designated representative for the [***]; proof of service must be concurrently filed with elections officer.

In addition, the Tribe shall submit to the election officer on or before [***], by electronic mail, a copy of the voter list in an Excel spreadsheet format, with columns labeled as follows: First Name, Last Name, Street Address, City, State, and Zip Code. Work locations and job titles need not be included in the electronic file. The file shall be sent to [***].

14. Notices of Election: Shall be posted by the Tribe no later than [***].

15. Date, Time and Location of Counting of Ballots: Beginning at [**time**] on [**date**], at the [**address**].

16. Each signatory to this Agreement hereby declares under penalty of perjury that s/he is a duly authorized agent empowered to enter into this Consent Election Agreement.

(Name of Party)	(Name of Party)
By	By
(Title) (Date)	(Title) (Date)

(Name of Party)	(Name of Party)
By	By
(Title) (Date)	(Title) (Date)

Date approved: _____

[**Author**]
Elections Officer

APPENDIX C

Off-Track Satellite Wagering

WHEREAS, the State of California (State) permits and regulates pari-mutuel wagering on horse racing (also known as off-track wagering) at authorized satellite wagering facilities (also known as simulcast wagering facilities) at various locations within the State, under the terms of California Business and Professions Code section 19400 et seq. (California Horse Racing Law); and

WHEREAS, the California Horse Racing Board (Board) is the agency established under California state law to administer and enforce all laws, rules, and regulations affecting horse racing and pari-mutuel wagering within the state and has enacted regulations that appear at title 4, division 4 of the California Code of Regulations, regulating the conduct of pari-mutuel and simulcast wagering on the results of horse races (Board Rules and Regulations); and

WHEREAS, operation of a satellite wagering facility is a Class III Gaming activity under IGRA; and

WHEREAS, the Big Sandy Rancheria of Western Mono Indians of California (Tribe) has duly enacted its Gaming Ordinance, which permits Class III Gaming on and within the Tribe's Indian Lands if conducted in conformity with an applicable tribal-state compact; and

WHEREAS, section 3.0, subdivision (a), of the Compact authorizes and permits the Tribe to offer off-track wagering on horse races at a satellite wagering facility pursuant to the requirements of this Appendix; and

WHEREAS, the Tribe and the State each recognize the sovereign authority and interests of the other in regulating gaming activities within their respective areas of jurisdiction and in ensuring that off-track wagering on horse races is conducted fairly, honestly, professionally and in a manner that promotes the California horse racing industry.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the Tribe and the State agree as follows:

Sec. 1.0. Definitions.

Except where the context otherwise requires, the terms employed in this Appendix shall have the same meanings ascribed to them in the California Horse

Racing Law, the Board Rules and Regulations, and in the Compact, as they may be modified or amended from time to time during the term of the Compact. Whenever reference to the Compact is made in this Appendix, that reference shall be understood to also include any Class III Gaming compact between the Tribe and the State to amend or replace the Compact that may hereafter be entered into and that is in effect. A satellite wagering machine is a device used solely to conduct off-track wagering on horse races authorized by this Appendix, and such a machine shall not be treated as a Gaming Device as defined in the Compact, including for the purpose of calculating the number of Gaming Devices operated by the Tribe under the Compact.

Sec. 2.0. Purpose.

The purpose of this Appendix is to establish and declare the terms upon which off-track wagering in a satellite wagering facility may be established and operated by the Tribe in its Gaming Facility as a means of developing self-sufficiency and generating additional revenues necessary to provide tribal services and programs, while providing the State and the Tribe with an effective means of regulating such activities in accordance with IGRA.

Sec. 3.0. Authorization to Operate Satellite Wagering Facility.

The Tribe is authorized to establish and operate off-track wagering on horse races in a satellite wagering facility (Satellite Facility) upon the Tribe's Indian Lands within its Gaming Facility, provided that the Tribe completes and submits to the Board an Application for Authorization to Operate a Simulcast Wagering Facility (Form CHRB-25, or such form as may be revised), and such Satellite Facility is operated in conformity with IGRA, this Appendix, and the Compact. To the extent there may be provisions in the Compact that are in conflict with provisions in the California Horse Racing Law or the Board Rules and Regulations that are specific to the conduct of off-track wagering on horse races at a satellite wagering facility, the California Horse Racing Law and the Board Rules and Regulations, and the terms of this Appendix, shall control.

(a) Satellite Facility. For purposes of this Appendix, a site within a Gaming Facility authorized under Compact section 4.2, which shall be clearly demarcated, shall be approved as the Tribe's Satellite Facility, provided that, upon inspection by the Board, the Board finds that the Satellite Facility complies with the substantive requirements of the California Horse Racing Law and the Board Rules and Regulations. References to the Satellite Facility in this Appendix shall refer only to

the portion of the Gaming Facility that has been demarcated as the Satellite Facility and shall not refer to any other portion of the Gaming Facility.

(b) Continuing Obligation to Maintain Satellite Facility. The Tribe agrees to maintain its Satellite Facility in a manner that complies with all applicable satellite wagering facility requirements made applicable by this Appendix at all times; provided, however, that the Tribe retains sole discretion to cease operation of the Satellite Facility.

(c) Except as provided in this Appendix, no prohibition upon, or regulation of, the establishment or operation of the Satellite Facility will be imposed upon the Tribe by the State.

Sec. 4.0. Agreements with Satellite Operating Organizations.

In order to permit the conduct of off-track wagering on horse races through intrastate satellite wagering and out-of-state satellite wagering at the Satellite Facility, the Tribe is hereby authorized to enter into agreements with any satellite operating organization that is established pursuant to Business and Professions Code section 19608.2, subdivision (a) or other provision of the California Horse Racing Law or the Board's Rules and Regulations, and which organization provides the audiovisual signal of, and operates satellite wagering on, racing events authorized to be received in the northern zone. No such satellite operating organization shall refuse to enter into such an agreement with the Tribe on the ground that the Tribe is not an entity eligible to be authorized to operate a satellite wagering facility under state law, or that the proposed agreement with the Tribe is otherwise inconsistent with any other provision of state law, or with the Board Rules and Regulations, as long as the proposed agreement between the Tribe and the satellite operating organization complies with federal law and with the terms of this Appendix. A copy of any such agreement entered into by the Tribe shall be provided to the Board at the location of the Board's headquarters within thirty (30) days after its execution. Except as herein provided, nothing in this Appendix is intended to alter in any way the rights of the satellite operating organization under state law.

Sec. 5.0. Distribution of Handle.

(a) (1) Generally. The amounts deducted from pari-mutuel wagers at the Satellite Facility, and the distribution of such amounts, shall be the same as those provided for under the California Horse

Racing Law and the Board Rules and Regulations for satellite wagering facilities, other than fairs, in the northern zone.

(2) State License Fee. In the event that during the term of the Compact, California law is amended to authorize the State to collect a state license fee, or a fee equivalent thereto, from the wagers placed at the Satellite Facility, the Tribe and the State shall promptly meet and confer as to whether that state license fee may be imposed on the Tribe under federal law. Any dispute as to this issue shall be resolved under the dispute resolutions provisions of section 13.0 of the Compact.

(b) Additional Provisions for Purposes of Business and Professions Code Section 19605.7

(1) The Tribe and the satellite operating organization may agree between them and may specify by incorporating into the agreement described in this Appendix, section 4.0, how the percentages of the handle specified in Business and Professions Code section 19605.7 subdivision (c), and designated for promotion of the program at the Satellite Facility, shall be distributed and expended; and

(2) The Tribe shall be deemed to be the equivalent of the county, and entitled to the 0.33% of the handle distributed to the local government within which the Satellite Facility is located, as specified in Business and Professions Code section 19605.7 subdivision (d), and the Tribe shall receive that distribution instead of Fresno County.

Sec. 6.0. Right of Entry.

The Tribe hereby grants the Board a right of entry onto the Tribe's land solely for purposes of inspecting its Satellite Facility and monitoring compliance with this Appendix. Such inspection or other site visits shall be conducted by the Board in accordance with the same schedules, policies, and procedures that the Board customarily applies to satellite wagering facilities licensed under state law. Except when entering, leaving, or remaining in the public areas of the Satellite Facility during normal operating hours, Board members or personnel shall notify the Tribal Gaming Agency, as defined in the Compact, when they seek access to the restricted (i.e., non-public) areas of the Satellite Facility. Inspections of the

non-public areas of the Satellite Facility and inspections, copying, and maintenance of papers, books and records, which shall remain the property of the Tribe, shall be conducted in accordance with the Compact. Nothing in this Appendix shall preclude the State Gaming Agency, as defined in the Compact, from entry into the Satellite Facility to carry out all activities, rights, and duties provided to the State Gaming Agency by the Compact.

Sec. 7.0. Concurrent Tribal Authority.

Nothing contained herein shall operate to preclude the Tribe from exercising such additional and concurrent regulatory authority as it may otherwise possess over the Gaming Activities authorized under this Appendix; provided, however, that any regulatory authority exercised by the Tribe over the Gaming Activities authorized in this Appendix shall be no less stringent than that which the Board would exercise over off-track wagering on horse races at satellite wagering facilities approved under state law.

Sec. 8.0. Consent Under Interstate Horse Racing Act.

To the extent that acceptance of interstate off-track wagers on horse races is authorized by California state law and the Board, the execution of the Compact by the State shall constitute consent to acceptance of interstate off-track wagers by the satellite operating organization at the Satellite Facility, as required under 15 U.S.C. § 3004(a)(3). Either the State, or the Board or its successor, if requested, shall acknowledge in writing the consent given herein.

Sec. 9.0. Licenses Generally.

Subject to compliance with the terms of this Appendix, the Tribe shall not be required to obtain or possess a license from the Board in order to establish and operate a satellite wagering facility within its Gaming Facility, and shall not be required to obtain any other license under state law in connection with its operation of its Satellite Facility, except as may be required under the Compact.

Sec. 10.0. Licensing of Employees.

(a) Administrative and managerial personnel who exercise control over other persons licensed by the Board or the operation of satellite wagering, or whose duties routinely require access to restricted areas of the Satellite Facility, and clerical and other employees employed in a restricted area of the Satellite Facility, shall hold a valid license issued by the Board, if the person is required to be licensed pursuant

to section 1481 of the Board Rules and Regulations; provided that this requirement shall not apply to tribal public safety officers and security personnel of the Gaming Facility who regularly patrol the Satellite Facility in the course of performing their normal, assigned duties, but who are not assigned to remain therein continuously; and provided further that for the purposes of this Appendix, the restricted area of the Satellite Facility shall mean those areas within the Satellite Facility where admission can be obtained only upon presentation of authorized credentials or proper license, including those areas designated as the pari-mutuel department.

(b) If required by any of the Tribe's ordinances, regulations, or rules, every person employed at the Satellite Facility on the Tribe's Indian Lands shall:

(1) Hold a valid license issued by the Tribal Gaming Agency; or

(2) Be approved by the Tribal Gaming Agency for such employment.

Sec. 11.0. Security Control Over Satellite Facility.

The Tribe shall maintain such security controls over its Satellite Facility and premises, including the presence of licensed security personnel, as the Board's Chief Investigator shall direct; and shall remove, deny access to, eject, or exclude persons whose presence within the Satellite Facility is inimical to the interests of the State as provided by sections 1980 and 1989 of the Board Rules and Regulations, or to the interests of the Tribe in operating an honest, legitimate satellite facility. Persons prohibited from wagering or excluded from the Satellite Facility pursuant to sections 1980 through 1989 of the Rules and Regulations shall have the right to a hearing thereon pursuant to the Board Rules and Regulations, and the Tribe shall abide by the Board's decision following such hearing; however, nothing in this section shall affect the Tribe's power to exclude or remove persons from the Tribe's land, Gaming Facility, or Satellite Facility pursuant to federal law and the Tribe's laws, regulations, rules, or policies.

Sec. 12.0. Civil Regulation.

(a) Generally. Except as modified by this Appendix, and except to the extent that they are in conflict with federal law, all provisions of the California Constitution and all provisions of California Horse Racing Law that specifically and directly pertain to the conduct of off-track

wagering on horse races at a satellite wagering facility, and all rules, regulations, policies, and regulatory and enforcement practices of the Board or its successor, which are now in existence or which may hereafter be enacted, adopted or from time to time amended, and that apply generally to satellite wagering facilities within the State, are hereby incorporated into this Appendix and shall be applicable to the Satellite Facility authorized by this Appendix to the same extent and in the same manner as they apply to satellite wagering facilities in operation within the state generally.

(b) Non-Discrimination in Enforcement. In exercising the regulatory enforcement authority granted herein, such authority and the application of the Board Rules and Regulations and procedures shall not be exercised by the Board in a manner that discriminates against the Tribe or is more stringent than that applied to state-licensed satellite wagering facilities in operation within the State generally.

Sec. 13.0. Suitability Standard Regarding Licensing. It is the Tribe's and the State's intent that the licensing of persons, entities, and financial sources directly providing services or materials to the Tribe's Satellite Facility shall involve joint cooperation between the Tribal Gaming Agency and the Board. Except as modified by this Appendix, the Tribe agrees to comply with all licensing requirements, procedures, and standards relevant to satellite wagering facilities that are set forth in the California Horse Racing Law and the Board's Rules and Regulations.

Sec. 14.0. Governing Law. This Appendix shall be governed by and construed in accordance with federal law (including but not limited to IGRA) and the laws of the State of California to the extent those laws are not inconsistent with federal law; provided, however, that provisions of state laws and regulations expressly incorporated into this Appendix shall be construed in accordance with the laws of the State of California.