DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of Tribal-State Gaming Compact taking effect.

SUMMARY: Pursuant to Section 11 of the Indian Gaming Regulatory Act of 1988 (IGRA), Public Law 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III gaming activities on Indian lands. The Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority, is publishing notice that the Amendment to Appendix X to the Compact between the St. Regis Mohawk Tribe and the State of New York, executed on May 27, 1999, is considered to have been approved. By the terms of IGRA this amendment is considered approved, but only to the extent it is consistent with the provisions of IGRA.

DATES: This action is effective August 13, 1999.

FOR FURTHER INFORMATION CONTACT: George T. Skibine, Director, Indian Gaming Management Staff, Bureau of Indian Affairs, 1849 C Street, NW, MS 2070–MIB, Washington, D.C. 20240, (202) 219–4066.

Dated: August 9, 1999.

Kevin Gover,

Assistant Secretary-Indian Affairs.

[FR Doc. 99–20931 Filed 8–12–99; 8:45 am]

BILLING CODE 4310–02–P

AMENDMENT

to the

TRIBAL-STATE COMPACT

between the

ST. REGIS MOHAWK TRIBE

and the

STATE OF NEW YORK

May 27, 1999

AMENDMENT

to the

TRIBAL-STATE COMPACT

Between the

ST. REGIS MOHAWK TRIBE

and the

STATE OF NEW YORK

THIS AMENDMENT TO THE TRIBAL-STATE COMPACT made and entered into by and between the ST. REGIS MOHAWK TRIBE, a federally-recognized Indian Tribe, and the STATE OF NEW YORK, pursuant to the provisions of the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. §2701 et seq,

WITNESSETH:

WHEREAS, the St. Regis Mohawk Tribe is a federally-recognized Indian Tribe, possessing all sovereign powers and rights thereto pertaining; and

WHEREAS, the State of New York is a sovereign state of the United States with all rights and powers thereto pertaining; and

WHEREAS, the Congress of the United States has enacted into law the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. §2701, et seq., which provides in part that a tribal-state Compact may be negotiated between a Tribe and a State to govern the conduct of certain gaming activities which constitute Class III gaming for purposes of the Act on the Indian lands of the Tribe within the State; and

WHEREAS, the St. Regis Mohawk Tribe has determined, after consultation with duly qualified and informed consultants, professionals, and gaming and business experts, that this Amendment to the Compact confers upon the Tribe substantial and significant economic advantage and benefit consistent with the goals of the federal Indian Gaming Regulatory Act, and permits them to operate, exclusively in some areas of the State, electronic gaming devices they could not otherwise lawfully operate without this Amendment, therefore, the Tribe voluntarily agrees to a contribution to the State as set forth below.

WHEREAS, the St. Regis Mohawk Tribe and the State of New York have diligently negotiated this amendment in spite of federal court decisions that have provided the State a means by which to avert any negotiation regarding Class III gaming activities, the Tribe agrees that a failure to extend this agreement beyond the date of expiration as contained within shall not be considered

bad faith, as that term is contained in the Indian Gaming Regulatory Act and has been interpreted by the judiciary.

WHEREAS, the St. Regis Mohawk Tribe and the State of New York have previously negotiated a Compact pursuant to the provisions of the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. §2701 et seq, all provisions of that Compact and its Appendices shall be given full accord notwithstanding any provision inconsistent with this Amendment.

NOW, THEREFORE, the ST. REGIS MOHAWK TRIBE and THE STATE OF NEW YORK do enter into an Amendment to the Tribal-State Compact as provided for herein.

NEW YORK STATE

By:

Judith A. Hard

Judith A. Hard
Deputy Counsel to the Governor

May 27, 1999

ST. REGIS MOHAWK TRIBE

By:

Edward D. Smoke

Edward D. Smoke, Chief Executive Officer
27 May 99

AMENDMENT

TO

APPENDIX A

XXVII. ELECTRONIC GAMING DEVICES

(A) Definitions. For the purposes of this Section, the following definitions shall apply:

(1) Central monitoring system. Central monitoring system means the software permitting the Board to remotely dial-in to the On-Line System and monitor and retrieve information in real time from all electronic gaming machines.

(2) Component. Component means a part of a gaming machine that is necessary for the proper operation and essential function of the gaming machine, including but not limited to a coin acceptor, microprocessor and related circuitry, programmed EPROM, bill acceptor, progressive system, monitoring system, and meter; parts such as light bulbs, buttons, wires, decorative glass, fuses, batteries, handles, springs, brackets, and locks are not components.

(3) Conversion. Conversion means a change from one pre-approved configuration to another pre-approved configuration.

(4) Electronic gaming devices. A network of five or more contiguous on-line terminals, connected to the On-Line System, with touch-screen or button-controlled video screen or other electronic display electronic selection device and the central computer via a communications network, which dispenses a Game Play Ticket immediately after a Patron's enrollment in a Game. The electronic gaming devices shall not dispense coins or currency and may only perform the following functions related to the Game:

a. Accepts currency or other representative of value qualifying the Patron to participate in one or more Games.

b. Provides patrons with the ability to choose, or have the electronic gaming devices automatically select for them (Quick Pick), combinations of numbers, colors and/or symbols.

c. Electronically displays the Game Identifier and the Patron selections using a dedicated display area that is designated for that function only. Patron selections are displayed on the electronic gaming devices at least as long as the Game Draw for the Game in which a Patron is enrolled is displayed; provided that the Patron initiates the verification process before that time, the Patron selections for that Game shall no longer be displayed in the dedicated area of the electronic gaming device's display.

d. Prints and dispenses with each Game played Patron selections and Game Identifier on a Game Play Ticket.

e. Prints and dispenses a Redemption ticket when the patron activates the cash-out function.

f. Displays Patron information such as credit balance and Game enrollment.

g. Displays, for verification purposes, the Game Results, in an area separate from that which displayed the Patron selections, and only upon activation of the electronic gaming devices.

h. Displays, at the Patron's option, the current value of each prize pool, and the overall estimated odds of winning a prize.

i. Performs security functions necessary to maintain the integrity of the operation of the electronic gaming device.

(5) Event. Event means an occurrence of elements or particular combinations of elements that are available on the particular gaming device;

(6) Game. A process by which Patron Selections are enrolled for a particular Game Draw, and which ends with the completion of the Game Draw and the determination of the resulting prizes by the Network Controller computer.

a. Electronic Keno. Electronic Keno game is a generic term for games in which players compete against other players by selecting numbers, colors or symbols in the hopes of matching those numbers, colors or symbols randomly drawn by the Network Controller computer from a larger finite pool of numbers, colors or symbols. The prizes awarded in Electronic Keno games are based on predetermined payoffs established by the Tribal gaming operation, approved by the Board, pursuant to paragraph (2) of subsection (G) of this section.

b. Electronic Pull-Tab Tickets. Electronic Pull-tab Ticket games are those in which players compete against each other by purchasing electronic pull-tab tickets from an electronic gaming device, which randomly selects, dispenses and removes a pull-tab ticket comprised of a predetermined combination of numbers, colors or symbols, from a finite pool (deal) of pull-tab tickets comprised of similar numbers, colors or symbols, following a Wager made at an electronic gaming device. Once removed electronically from the finite deal of pull-tab tickets, an electronic pull-tab ticket cannot be re-selected or re-dispensed. The prizes awarded in electronic pull-tab tickets games shall be predetermined by the Tribal gaming operation and approved by the Board.

(7) Game Draw.

a. Electronic Keno. An Electronic Keno Game Draw is the selection of a finite field of letters, numbers, colors or symbols from a larger finite pool of numbers, colors or symbols in order to determine the outcome of a Game. All Draws are played automatically according to a pre-established time sequence identified by the Tribal gaming operation and approved by the Board, regardless of whether or not wagers have been made by any player.

b. Electronic Pull-Tab Tickets. An Electronic Pull-Tab Tickets Game Draw is the selection and dispensing of a pull-tab ticket comprised of a finite field of numbers, colors or symbols, from a larger finite pool of pull-tab tickets comprised of similar numbers, colors or symbols in order to determine the outcome of a Game. Once removed electronically from the finite deal of pull-tab tickets, an electronic pull-tab ticket cannot be re-selected or re-dispensed. The prizes awarded in electronic pull-tab tickets games shall be predetermined by the Tribal gaming operation and approved by the Board.

(8) Game Identifier. The symbol, number, or name which identifies the particular Game in which the Patron selections are enrolled.

(9) Game Play Ticket. A printed or electronically encoded ticket, which shall be tangible and which shall either have printed on it in a legible form or cause to be displayed on the electronic gaming devices in a legible form the following for each Game: Patron selections, Game Identifier and Wager, and for purposes of verification only, the date and time of the enrollment, and electronic gaming devices' identifier.

(10) Game Results. The results of a Game, which contain the following information: the Game Identifier; Patron selections; Game Draw, prizes available for that Game; the prize, if any, won; and the Patron credit balance. Game Results may be displayed in an entertaining manner.

(11) Modification. Modification means a change or alteration in an electronic gaming device that affects the manner or mode of play or the percentage paid by the electronic gaming device, including a change in control or graphics programs; modification does not include a conversion from one approved mode of play to another approved mode of play, replacement of one game for another approved game; replacement of one component with another pre-approved component, or the rebuilding of a previously approved electronic gaming device with pre-approved components;

(12) Network Controller computer. A computer that is connected to a minimum of five contiguous terminals. Multiple network controller computers may be utilized to

control terminals throughout the gaming facility. Each network controller computer utilized shall be programmed to store Game Server Draws for each Game, and to manage, allocate, and account, with respect to all prize pools, on an individual and aggregate basis. For the purposes of electronic keno and electronic pull-tabs, the network controller computer shall perform the following:

a. Electronic Keno. A network controller computer shall be programmed to randomly select, at pre-established intervals of time identified by the Tribal gaming operation and approved by the Board, and independently of the On-Line System and electronic gaming devices, a finite field of numbers, colors or symbols from a larger finite pool of letters, numbers, colors or symbols (a Game Draw) in order to determine the outcome of a keno game. The network controller computer interacts with the electronic gaming device only to determine a winner on an electronic gaming device. The electronic gaming device shall communicate to the On-Line System only accounting and player information and shall not have a determination of the outcome of the game.

b. Electronic Pull-Tab Tickets. A network controller computer shall be programmed to randomly draw and dispense, independent of the On-line System and electronic gaming devices, an electronic facsimile of a pull-tab ticket comprised of a predetermined combination of numbers, colors or symbols, from a finite pool of electronic facsimile pull-tab tickets comprised of similar numbers, colors or symbols, following a Wager made at an electronic gaming device. Once removed electronically from the finite deal of pull-tab tickets, an electronic pull-tab ticket cannot be re-selected or re-dispensed. The prizes awarded in electronic pull-tab tickets games shall be predetermined by the Tribal gaming operation and approved by the Board. Another finite deal of electronic pull-tab tickets bearing the same Game Identifier may be added to an electronic deal in progress provided that at least fifty percent of the electronic pull-tab tickets in the deal in progress have been electronically removed and dispensed through players wagers. For purposes of adding additional deals, the fifty percent requirement shall apply to the last deal replenished.

(13) On-Line System. A central computer connected to all of the electronic gaming devices at a gaming facility. The On-line System is programmed to perform the following:

a. management of Patron account databases consisting of the amount of money deposited, any winnings or losses of the Patron, any credit due to the Patron, and accounting functions unrelated to the play of the Game;

b. accounting and tracking of electronic gaming device activity;

c. calculation of the contribution payments to the State as required pursuant to subsection (B); and

d. provide a central monitoring system permitting the Board to remotely dial-in to the On-Line System and monitor and retrieve information in real time from all electronic gaming machines.

(14) Patron Selections.

a. Electronic Keno. With respect to each Electronic Keno game, the selection by or on behalf of the player of a finite number, color or symbol, or a finite field of numbers, colors or symbols.

b. Electronic Pull-Tab Tickets. With respect to each Electronic Pull-Tab Tickets game, the selection and dispensing of one or more electronic pull-tab tickets shall be made following the player's selection of a Game Identifier and a Wager by the player at an electronic gaming device.

(15) Prize Level.

a. Electronic Keno. Each Electronic Keno game shall identify the number of Patron Selections that must match a Game Draw to make a player eligible for a prize or prizes. For example, a "5-spot" Game consists of an enrollment of five Patron Selections in a Game Draw, and might result in three Prize Levels: the correct match of five of the five Patron Selections, four of the five Patron Selections, and three of the five Patron Selections.

b. Electronic Pull-Tab Tickets. The prize levels for each Electronic Pull-Tab Tickets game shall be limited to only those tiers of prizes displayed on the electronic gaming device.

(16) Redemption Ticket. A Game Play Ticket or other printed or electronically encoded ticket, which shall be tangible and which identifies the Patron credit balance for redemption purposes, date and time of the ticket's issuance, electronic gaming device's identifier, and a unique verification bar code or validation number.

(17) State. State means the State of New York.

(18) Ticket Verification. The process in which Redemption Tickets are verified. Redemption Tickets redeemable for cash shall be redeemed at a cashiers' cage. Each Redemption Ticket shall contain a bar code capable of being scanned by an optical reader or its equivalent or a cash-out ticket validation number imprinted with

information enabling the cashier to verify the authenticity of the cash-out ticket. Redemption Tickets over an amount predetermined by the Board cannot be printed without the turn of an attendant key at the machine.

(19) Wager. The amount paid by a Patron for enrollment in a Game.

(B) Contributions to state for electronic gaming device authorization

(1) Revenue sharing for electronic gaming devices. The Tribe and the State have agreed to revenue sharing as provided by this subsection with respect to revenues generated by the operation of electronic gaming devices as such games are hereby authorized and prescribed. The authority to operate electronic gaming devices by the Tribe is contingent upon revenue sharing with the State.

(2) Definitions. For the purposes of this subsection, the following definitions shall apply:

a. Net revenues from electronic gaming devices. Net revenues from electronic gaming devices shall be the total amount wagered on such electronic gaming devices less the amount paid out in prizes from wagering on such devices.

b. Annual. The term annual means the consecutive twelve (12) month accounting period used by the State of New York for accounting purposes.

(3) Exclusivity; Indian comparability. The Tribe and the State agree that the exclusive right of the Tribe to operate electronic gaming devices is not to be addressed within this Section. Should the proper federal authorities require that an element of exclusivity is required for the agreement to be valid, the parties shall meet within thirty (30) days after each has received written notification of the deficiency to negotiate said item. New York State Lottery reauthorization to conduct Quick Draw as previously operated or in a form substantially similar shall not affect contributions to the State by the Tribe for electronic gaming device authorization. If another federally recognized Indian tribe is permitted authority by the State to operate electronic gaming devices, the contribution to the State for electronic gaming device authorization applicable to that tribe, if less than that contained within this Section, shall be applicable to the St. Regis Mohawk Tribe.

(4) Formula for revenue sharing. The Tribe has determined, after consultation with duly qualified and informed consultants, professionals, and gaming and business experts, that this Section confers upon the Tribe substantial and significant economic advantage and benefit consistent with the goals of the federal Indian Gaming Regulatory Act, and permits them to operate electronic gaming devices they could not otherwise lawfully operate without this agreement, therefore, the Tribe voluntarily agrees that the Tribal contribution to the State, in United States currency, shall be:

a. ten (10) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games is less than thirty million (30,000,000) dollars.

b. eleven and one-quarter (11.25) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds thirty million (30,000,000) dollars but does not exceed thirty-four and one-half million (34,500,000) dollars.

c. twelve and one-half (12.50) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds thirty-four and one-half million (34,500,000) dollars but does not exceed thirty-nine million (39,000,000) dollars.

d. thirteen and three-quarters (13.75) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds thirty-nine million (39,000,000) dollars but does not exceed forty-three and one-half million (43,500,000) dollars.

e. fifteen (15.00) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds forty-three and one-half million (43,500,000) dollars but does not exceed forty-eight million (48,000,000) dollars.

f. sixteen and one-quarter (16.25) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds forty-eight million (48,000,000) dollars but does not exceed fifty-two and one-half million (52,500,000) dollars.

g. seventeen and one-half (17.50) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds fifty-two and one-half million (52,500,000) dollars but does not exceed fifty-seven million (57,000,000) dollars.

h. eighteen and three-quarter (18.75) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds fifty-seven million (57,000,000) dollars but does not exceed sixty-one and one-half million (61,500,000) dollars.

i. twenty (20.00) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds sixty-one and one-half million (61,500,000) dollars but does not exceed sixty-

six million (66,000,000) dollars.

j. twenty-one and one-quarter (21.25) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds sixty-six million (66,000,000) dollars but does not exceed seventy and one half million (70,500,000) dollars.

k. twenty-two and one-half (22.50) percent of annual net revenue of the electronic gaming devices if the annual net revenues from such games exceeds seventy and one half million (70,500,000) dollars but does not exceed seventy-two million (72,000,000) dollars.

l. twenty-five (25.00) percent of annual net revenue of the electronic gaming devices if revenues from such games exceeds seventy-two million (72,000,000) dollars.

(5) Capital cost exemption. During the first twelve months of the first year of operation of electronic gaming device operation the first seven and one-half million (7,500,000) dollars of net revenue is exempt from revenue sharing provisions of this subsection. This revenue exemption is for the purposes of electronic gaming device acquisition.

(6) Base amount for revenue sharing. The percentage due the State shall apply to the entire amount of net revenue, except for the capital cost exemption as provided above, and as for the times when the Tribe is to be held harmless, as provided below.

(7) Hold harmless provision. The amount of net revenue retained by the Tribe shall not decline as a result of an increase in the percentage of net revenue due to the State increases. This provision is applicable up to net revenues of the Tribal gaming operations totaling seventy-two million dollars (72,000,000) dollars at which level the Tribe shall not be held harmless.

(8) Timing of payments. Payments of the contribution described in this subsection shall be made on or before the fifteenth (15th) day of each month, and such monthly contributions shall be determined by calculating the cumulative annual net gaming revenues from electronic gaming devices over the full fiscal year which have elapsed concluding with the month preceding the month in which the payment is due, projecting such cumulative annual net gaming revenues from electronic gaming devices over the full fiscal year on a pro forma basis, and dividing the pro forma result by twelve. The final monthly payment shall be due April 15 of each year for the fiscal year ending the preceding March 31. Credit shall be given for any monthly contributions made previously for that fiscal year.

(9) Use of revenues by State. Revenues provided to the State under this subsection may be used for any lawful purpose, subject to the approval of the division of the budget, including but not limited to economic development programs and offsetting expenses associated with the gaming facility in Clinton, Franklin and St. Lawrence counties.

(C) Examination of accounts and records

(1) The Board may perform audits, or cause audits to be conducted, of the books and records of a Tribal gaming operation, at such times and intervals as it deems appropriate, for the purpose of determining the sufficiency of the remittance as provided in subsection (B). The Board shall also conduct an annual net revenue examination of electronic gaming devices for the purpose of verifying that the total amount of the remittance required by subsection (B) by the Tribe for the relevant fiscal year was correct.

(2) The Tribal gaming operation shall permit duly authorized representatives of the Board to examine the operation's accounts and records for the purpose of certifying net revenues from electronic gaming devices. In the event that any records or documents deemed pertinent by a Board examiner are in the possession of another entity, the Tribal gaming operation shall be responsible for making those records or documents available to the examiner.

(3) The Board's annual net revenue remittance examination shall be conducted in accordance with generally accepted accounting standards and practices. A copy of such standards and practices shall be made available upon request to all Tribal gaming operations.

(4) An examination pursuant to this paragraph may incorporate audit work performed by a Tribal gaming operation's internal audit department provided that:

a. Such audit work is conducted in accordance with minimum standard internal audit procedures which have been submitted to and approved by the Board, including, at a minimum, a detailed description of the audit tests to be performed;

b. The Tribal gaming operation submits to the Board by January 31 of each year an annual audit plan specifying the scheduled audit dates for that upcoming calendar year; and

c. The Tribal gaming operation submits to the Board, no later than March 15 of each year, copies of all internal audit reports and any other reports directly relating to the reporting of net revenue from electronic gaming devices the preceding tax year.

(5) The Board shall:

a. Notify the Tribe of any remittance deficiencies disclosed during an electronic gaming devices net revenue examination;

b. Record all deviations from regulatory or internal control requirements concerning revenue-related transactions which are discovered during an electronic gaming devices net revenue examination, which record shall be provided to the Tribe on an annual basis; and

c. Refer any such deviations to the New York State Police for investigation and any other action which the Board deems appropriate.

(D) Electronic gaming device standards

(1) Accounting meter standards. Each electronic gaming device must have both electronic and electromechanical meters. Electromechanical meters must have no less than six digits, electronic meters must tally totals to eight digits and be capable of rolling over when the maximum value is reached. Each electronic gaming device must also contain a control program which must provide the means for on-demand display of the electronic meters utilizing a key switch on the exterior of the electronic gaming device.

a. Electromechanical meters. The required electromechanical meters must comply with the following and must count and report data below:

1. the cash-in meter must cumulatively count the number of coins or tokens that are inserted if the electronic gaming device accepts coins or tokens. The cash-in meter must cumulatively count bills inserted in the bill acceptor according to the credit values set for the coin mechanism;

2. the cash-out meter will maintain a cumulative count of the credits that the electronic gaming device reported on Redemption tickets;

3. the cash-played meter will maintain a cumulative count of all credits played which includes credit accumulated by the insertion of currency and winnings that the patron has accumulated through game play;

4. the cash-won meter will maintain a cumulative count of all credits won by the play of all games.

b. Electronic meters. The required electronic meters must comply with the following and must count and report the following data:

1. the cash-in meter must cumulatively count the value or number of coins or tokens that are wagered by actual coins or tokens that are inserted and credits established as a function of bill validation or credits bet, or both;

2. the cash-won meter must maintain a cumulative count of the credits that the electronic gaming device reported on Redemption tickets;

3. the cash-out meter will maintain a cumulative count of the credits that the electronic gaming device dispensed in the form of tickets;

4. the cash-played meter will maintain a cumulative count of all credits played which includes credit accumulated by the insertion of currency and winnings that the patron has accumulated through game play;

5. the recall history shall identify the history of all door openings including the main, logic and cash doors. The recall history shall display the time, date and the game that was being played when the door was opened and closed.

c. Meter accuracy. Electromechanical meters must meet a reasonable level of accuracy, given the available technology, as approved by the Board. Electronic meters must have an accuracy rate of 99.99% or better.

d. Bill acceptors. If an electronic gaming device is equipped with a bill acceptor, then the device must be equipped with a bill acceptor meter that records the following:

1. the total number of bills that were accepted;

2. an accounting of the number of each denomination of bill accepted; and

3. the total dollar amount of bills accepted.

e. General requirements.

1. An electronic gaming device must be designed so that the replacement parts or modules required for normal maintenance do not

require replacement of the electromechanical meters.

2. An electronic gaming device must have meters that continuously display all of the following information relating to current play or monetary transaction:

   (a) the number of coins, tokens, or credits wagered in the current game;

   (b) the number of credits won in the current game, if applicable;

   (c) the number of credits available for wagering, if applicable.

3. Electronically stored meter information required by this section must be preserved after a power loss to the electronic gaming device and must be maintained for a period of not less than 180 days.

4. An electronic gaming device may not have a mechanism that causes the required electronic accounting meters to clear automatically when an error occurs.

5. The required electronic accounting meters may be cleared only if approved by the Board.

6. Required meter readings, when possible, must be recorded before and after the electronic accounting meter is cleared.

(2) Bill acceptor standards.

a. An electronic gaming device may have a bill acceptor installed into which a patron may insert currency in exchange for an equal value of electronic gaming device credits. The patron must be able to obtain an equal number of credits for the amount of currency that was inserted into the bill acceptor.

b. A bill acceptor may accept one (1) dollar, five (5) dollar, ten (10) dollar, twenty (20) dollar, fifty (50) dollar or one hundred (100) dollar bills. A bill acceptor may be for any single denomination or a combination of denominations.

c. A bill acceptor must have software programs that enable the acceptor to differentiate between genuine and counterfeit bills to a high degree of accuracy and shall reject all counterfeit bills. Bill acceptors may utilize flash technology upon approval of the Board after evaluation by an independent

testing laboratory.

d. A bill acceptor must be equipped with a bill acceptor drop box to collect the currency inserted into the bill acceptor. The bill acceptor must:

1. be housed within the electronic gaming device or, if mounted on the outside of the electronic gaming device, be contained in a locked compartment. The key to such compartment must be different from any other key on the electronic gaming device; and

2. be equipped with a bill acceptor drop box that includes a stacker. The drop box must be identifiable to the electronic gaming device from which it was removed and have a separate lock to access the contents of the bill acceptor drop box. The key to the lock must not access any other area of the electronic gaming device.

e. A bill acceptor must be evaluated by an independent testing laboratory designated by the Tribe and approved by the Board to indicate that it meets the requirements of this paragraph.

(3) Coin and token acceptor standards.

a. At least one electronic coin or token acceptor must be installed in each electronic gaming device unless the electronic gaming device accepts bills only.

b. A coin or token acceptor must be evaluated by an independent testing laboratory designated by the Tribe and approved by the Board to indicate that it meets the requirements of this paragraph.

c. The coin or token acceptor must be designed to accept designated coins or tokens and to reject others.

d. The coin or token acceptor on an electronic gaming device must be designed to prevent the use of cheating methods, including, but not limited to, slugging, stringing, or spooning.

e. A coin or token that is accepted but not credited to the current game must be returned to the player. The electronic gaming device control program must be capable of handling rapidly fed tokens so that instances where a token is accepted but not credited to the current game are minimized.

f. An electronic gaming device must use a coin or token acceptor that accepts

or rejects a token on the basis of metal composition, mass, composite makeup, or equivalent security.

(4) Control program standards.

a. Except as otherwise authorized by the Board, the electronic gaming device control program must reside in the electronic gaming device that is contained in a storage medium that is not alterable through use of the circuitry or programming of the electronic gaming device itself.

b. Electronic gaming device control programs must test themselves for possible corruption caused by failure of the program storage media. The test methodology must detect 99.99% of all possible failures;

c. The control program must check for all of the following:

(1) corruption of non-volatile memory locations used for crucial gaming device functions;

(2) information relating to the current game and final outcome of, at a minimum, the previous four games; and

(3) error states.

d. Detection of corruption is a game malfunction that must cause a tilt condition that identifies the error and causes the electronic gaming device to cease functioning.

e. The control program must have the capacity to display a complete play history for the current game and, at a minimum, the previous four games. The control program must display an indication of all of the following:

(1) the game outcome or a representative equivalent;

(2) wagers placed;

(3) credits won;

(4) credits cashed out through the use of a ticket printer;

(5) any error conditions; and

(6) any other information deemed necessary by the Board to ensure

compliance with the Compact and its Appendices.

f. The control program must provide the means for on-demand display of the electronic meters utilizing a key switch on the exterior of the electronic gaming device.

g. The site controller for all of the electronic gaming devices must be capable of printing, on demand, readings from the electronic meters of each electronic gaming device.

(5) Safety and power supply standards.

a. Electrical and mechanical parts and design principles must not subject a player to physical hazards. An electronic gaming device must be electronically tested to the UL-22 standard for amusement and electronic gaming devices or an equivalent standard. Testing may be done by any nationally or internationally recognized electrical safety testing laboratory and/or an independent gamihg test laboratory designated by the Tribe and approved by the Board.

b. Spilling a conductive liquid on the electronic gaming device must not create a safety hazard or alter the integrity of the electronic gaming devices performance.

c. The power supply used in an electronic gaming device must be designed to minimize leakage of current in the event of an intentional or inadvertent disconnection of the alternate current power ground.

d. A surge protector must be installed on each electronic gaming device. The surge protector may be internal to the power supply or external.

e. An on and off switch that controls the electrical current used to operate the electronic gaming device must be located in an accessible place in the interior of the electronic gaming device.

f. The electronic gaming device power supply filtering must be sufficient to prevent disruption of the electronic gaming device by a repeated switching on and off of the AC power.

g. Except in the case of total memory failure, if the gaming electronic gaming device is still operable, it must be capable of continuing the current play with all the current play features after an electronic gaming device malfunction is cleared.

(6) Automatic light alarm standards.

A light must be installed on the top of the electronic gaming device that automatically illuminates when the door to the electronic gaming device is opened or when associated equipment that may affect the security or operation of the electronic gaming device is exposed, if the equipment is physically attached to the electronic gaming device.

(7) Interior of electronic gaming devices; Logic boards.

a. The internal space of an electronic gaming device must not be readily accessible when the cabinet door is closed. The locked cabinet door of the electronic gaming device must be secured by a key unlike any other access key for the electronic gaming device.

b. The logic boards, program storage medium, and RAM or non-volatile memory of an electronic gaming device must be contained in a separate, locked enclosure within the electronic gaming device, and the enclosure must be sealed with evidence tape or other seal approved by the Board by an employee or other agent of the Board. The key to access the locked enclosure shall be unlike any other access key for the electronic gaming device.

c. Access to the area described in subparagraphs a and b, above, is prohibited without prior notice to the Board, including the name of the person seeking access, the persons affiliation with the Tribal gaming operation, and the date, time, and purpose of such access.

(8) Hardware switch standards.

a. A hardware switch may not be installed if it alters the pay tables or payout percentages in the operation of an electronic gaming device.

b. A hardware switch may be installed to control graphic routines, speed of play, sound, or other Board-approved cosmetic play features.

(9) Error conditions and automatic clearing.

a. An electronic gaming device must be capable of detecting and displaying the following conditions: power reset, door open, and inappropriate coin-in, bill-in, or token-in if the coin, bill or token is not automatically returned to the player.

b. The conditions described in subparagraph a, above, must be automatically cleared by the electronic gaming device upon initiation of a new play sequence.

(10) Error conditions and clearing by an attendant.

a. An electronic gaming device must be capable of detecting and displaying, and an attendant may clear in the presence of Board personnel, all of the following error conditions:

(1) coin, bill or token-in jam;

(2) RAM error;

(3) coin, bill or token-in error conditions;

(4) low RAM battery, for batteries external to the RAM itself, or low power source.

b. A description of the electronic gaming device error codes and their meanings must be contained inside each electronic gaming device.

(11) Ticket printer standards.

a. A ticket printer must be capable of producing the following:

(1) date and time;

(2) identification number of the electronic gaming device;

(3) credits and their values; and

(4) validation number.

b. The ticket printer must be capable of sensing a paper out condition and completing printing of any unprinted tickets after the paper out fault has been cleared.

(12) Theoretical percentage payout requirements.

a. During the expected lifetime of the electronic gaming device, the electronic gaming device must not pay out less than eighty-five (85) percent.

b. The theoretical payout percentage must be determined using standard

methods of the probability theory.

(E) Integrity of electronic gaming devices

(1) Designation of independent gaming test laboratory. The Tribe shall propose to the State, with supporting documentation, an independent gaming test laboratory which is

a. competent and qualified to conduct scientific tests and evaluations of electronic gaming devices and to otherwise perform the functions set out in this Section; and

b. licensed or approved to test electronic gaming devices by the states of Nevada or New Jersey except that no such independent gaming test laboratory may be used if determined to be unsuitable by the State pursuant to Section 6 of this Compact.

The retention of the independent gaming test laboratory is subject to the consent of the State, but the State shall not unreasonably withhold its consent if the independent gaming test laboratory meets the standards in this subsection and if all licenses the laboratory holds with gaming jurisdictions in the United States are in good standing. If, at any time, any of the independent gaming test laboratory's licenses are suspended, terminated or subject to disciplinary action, the independent gaming test laboratory shall discontinue its responsibilities under this subsection and the Tribe shall propose a new independent gaming test laboratory as provided herein.

(2) Establishment of technical standards for electronic gaming devices. At least ninety (90) days prior to the purchase, lease or other acquisition of any electronic gaming devices authorized by this Compact:

a. The Tribe shall request the independent gaming test laboratory retained pursuant to subparagraph (1) a., above, to prepare comprehensive technical standards for any such electronic gaming devices and serve such request upon the State, and cause the independent gaming test laboratory to submit a draft of such technical standards to the Tribe and the State within thirty (30) days. Notwithstanding the foregoing, the Tribe and the State may waive the provisions of this subsection for particular electronic gaming devices upon written request of the Tribal gaming operation if both the Tribe and the State agree, in writing, that laboratory testing of the particular electronic gaming devices is not warranted.

b. Neither party shall unreasonably withhold its consent to the draft standards submitted by the independent gaming test laboratory.

c. The State and the Tribe shall, within thirty (30) days of the submission of the independent gaming test laboratory's draft technical standards, either approve such standards; or serve written objections to the standards. In the event of such objections, the parties shall meet with the independent gaming test laboratory following the objections to negotiate any requested modifications to the standards. If no agreement is reached within thirty (30) days of commencement of the negotiations, unless the parties agree otherwise, the standards shall be deemed to be disapproved.

d. In the event the standards are disapproved under subparagraph c of this subsection, standards shall be adopted by another independent gaming test laboratory agreed upon by the parties. If the parties cannot agree on a independent gaming test laboratory within thirty (30) days of the disapproval, then the standards shall be adopted by a independent gaming test laboratory selected by an arbitrator chosen by the parties pursuant to Compact Section 14. The new independent gaming test laboratory's adoption of standards shall be final.

e. Nothwithstanding the aforementioned, all testing of the initial electronic gaming devices utilized in Tribal gaming operations shall be completed within one hundred twenty (120) days of the date that said initial devices shall be first available for gambling by patrons of the gaming facility. After the initial devices have been first available, all future devices and modifications of devices shall conform to the requirements of subparagraphs a, b, c and d of this subsection.

(3) Testing and approval of electronic gaming devices. No electronic gaming devices may be acquired by the Tribe or exposed for play unless:

a. The Manufacturer or Distributor which sells, leases or distributes such electronic gaming devices has obtained a gaming service registration pursuant to Section 6 of this Compact; and

b. The electronic gaming devices, or a prototype thereof, have been tested, approved and certified by the independent gaming test laboratory as meeting the requirements specified by this Compact or Appendices and by the technical standards established pursuant to subparagraph 2 of this subsection, in accordance with the following process.

c. The Tribe shall provide, or require that the Manufacturer provide, to the independent gaming test laboratory two (2) copies of electronic gaming devices illustrations, schematics, block diagrams, technical and operation

manuals, program object and source codes, hexadecimal dumps (the complied computer program represented in base 16 format), if any, and any other information requested by the independent gaming test laboratory. The Tribe shall make all such materials available to the State upon request, subject to confidentiality.

d. If requested by the independent gaming test laboratory, the Tribe shall require the Manufacturer to transport not more than two (2) working models of the electronic gaming devices to a location designated by the laboratory for testing, examination or analysis. Neither the State nor the Independent gaming test laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the components of the electronic gaming devices resulting from the testing, examination or analysis. If requested by the independent gaming test laboratory, the Tribe shall require the Manufacturer to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis. At the conclusion of each test the independent gaming test laboratory shall provide to the State and the Tribe a report that contains findings, conclusions and a certification that the electronic gaming device conforms or fails to conform to the requirements specified by this Compact and by the technical standards established pursuant to paragraph 2 of this subsection. If the independent gaming test laboratory determines that it fails to conform to such requirements or technical standards, and if modifications can be made which would bring the electronic gaming device into compliance, the report may contain recommendations for such modifications. The State is not bound by the findings, conclusions or certifications of the independent gaming test laboratory for purposes of its enforcement of the provisions of this Compact.

e. The Manufacturer or Distributor has assembled and installed all electronic gaming devices in a manner approved by the independent gaming test laboratory.

(4) Modifications of electronic gaming devices.

a. No modification to the assembly or operations of any electronic gaming devices may be made after testing and certification unless the independent gaming test laboratory certifies to the State and the Tribe that the electronic gaming devices as modified conform to the requirements specified by this Compact and by the technical standards established pursuant to subparagraph 2 of this subsection. All such proposed modifications shall be described in a written request made to the State and the independent gaming test laboratory, which request shall contain information describing the modification and the

reason therefor, and provides all documentation required by the independent gaming test laboratory. In emergency situations where modifications are necessary to preserve the integrity of the electronic gaming devices, the independent gaming test laboratory is authorized to grant temporary certification of the modifications for up to thirty (30) days, pending compliance with this paragraph.

b. With respect to any modifications proposed to the electronic gaming devices the Tribe shall advise the State in writing of any such modification no less than ten (10) days prior to implementing the modification, and the State shall have the right to direct the Tribe to seek testing and certification of the modification. However, the Tribe shall not be precluded from implementing such modification prior to any such direction by the State. The modification shall be withdrawn if the independent gaming test laboratory concludes that the modified electronic gaming devices fail to conform to the requirements specified by this Compact and by the technical standards established pursuant to paragraph 2 of this subsection.

(5) Conformity to Technical Standards. Before an electronic gaming device may be exposed for play, the Tribe shall first have obtained and submitted to the State a written certification from the Manufacturer or Distributor that upon installation, each such electronic gaming device placed at the Tribe's gaming facility:

a. conforms precisely to the exact specifications of the electronic gaming devices tested and approved by the independent gaming test laboratory; and

b. operates and plays in accordance with the requirements specified in this Compact and by the technical standards established pursuant to subsection 2 of this Section.

Authorization to operate an electronic gaming device requires that it operate and play in accordance with the requirements specified by this Compact and by the technical standards established pursuant to paragraph 2 of this subsection; provided that while the failure of such electronic gaming device to comply with such requirements and standards will suffice as grounds to enjoin or otherwise terminate said electronic gaming devices's operation, such non-compliance will not be deemed a violation of this Compact as long as the Tribe has relied in good faith on the certification of the Manufacturer or Distributor.

(6) Ex-parte communication. Neither party shall directly or indirectly communicate with the independent gaming test laboratory, whether in writing, by telephone or otherwise, concerning the establishment of standards or the approval of the electronic gaming devices without providing the other party with a reasonable opportunity to

participate in such communication. The State and the Tribe shall ensure that copies of all written communications sent to or received from the independent gaming test laboratory are provided immediately to the other party.

(7) Payment of independent gaming test laboratory fees. The Tribe shall be responsible for the payment of all independent gaming test laboratory fees and costs in connection with the duties described in this subsection. The Tribe shall provide copies of all independent gaming test laboratory invoices and payments by the Tribe to the State, which shall have the right to audit such fees pursuant to Section 9 of the Compact.

(8) Independent gaming test laboratory duty of loyalty. The Tribe shall inform the independent gaming test laboratory in writing that, irrespective of the source of its fees, the independent gaming test laboratory's duty of loyalty and reporting requirements run equally to the State and the Tribe.

(9) Random inspections. The State may inspect or cause to be inspected one electronic gaming device for each type of game or activity specified in this Compact on a random basis every six (6) months to confirm that it operates and plays in accordance with the requirements specified by this subsection and by the technical standards established pursuant to paragraph (2) of this subsection. In any such inspection the State may utilize the services of a independent gaming test laboratory, provided that it meets the criteria set forth in subparagraphs (a) and (b) of paragraph (1) of this subsection. The Tribe shall pay for all reasonable costs incurred for such inspection and testing by the State.

(10) EPROM testing and duplication.

a. Procedures and controls must provide that, at least once per year, tests are conducted to ensure the integrity of a sample of electronic gaming device game program EPROMs. Only Board certified technicians, manufacturers, and distributors may conduct such tests.

b. EPROMs may not be duplicated except with Board approval, unless the person seeking to duplicate the program is a licensed manufacturer. In either case, the Tribal gaming operation must ensure compliance with all applicable federal copyright laws. Approval by the Board to duplicate game program EPROMs does not constitute an opinion as to such compliance.

c. The Tribal gaming operation must develop and maintain procedures for each of the following:

(1) removal of EPROMs from devices, verification of the existence of

errors, and correction of errors by duplication from the master game program;

(2) copying one electronic gaming device program to another approved program;

(3) verification of duplicated EPROMs with electrical failures;

(4) destruction, as needed, of EPROMs with electrical failures; and

(5) securing the EPROM duplicator and master game EPROMs from unrestricted access.

d. Records must be maintained on-site documenting the procedures described in this subsection. The records include the date, electronic gaming device number for both source and destination machines, manufacturer, program number, personnel involved, reason for duplication, disposition of any permanent EPROM, and lab approval number.

e. EPROMs returned to electronic gaming devices must include the date and information that is identical to that shown on the manufacturers' label. The enclosure housing the EPROMs and logic boards shall be sealed with evidence tape or other seal approved by the Board by an employee or other agent of the Board.

(F) Miscellaneous provisions

(1) Display of rules of play.

f. The rules of play for an electronic gaming device must be displayed on the face or screen of the electronic gaming device or capable of display at the players' option through use of an easily-accessible help screen.

g. The rules of play must be evaluated by the independent testing laboratory designated by the Board and must be approved by the Board. The Board may reject the rules if the Board determines that the rules are incomplete, conflicting, confusing, or misleading.

h. The rules of play must be kept under glass or other transparent substance.

i. The rules of play may not be altered without prior approval from the Board.

j. Stickers or other removable devices may not be placed on the electronic

gaming device face unless their placement is approved or required by the Board.

(2) Maintenance, repair and servicing of electronic gaming devices.

a. The Tribal gaming operation may not alter the operation of approved gaming machines or associated equipment and must ensure that the gaming machines and associated equipment are maintained in proper condition.

b. Only the following persons may service or repair an electronic gaming device or associated equipment:

(1) a duly registered manufacturer;

(2) an registered employee of a registered manufacturer; or

(3) technician certified by a registered manufacturer and employed by a registered distributor or a technician employed by the Tribal gaming operation and approved by the Board.

c. A registered manufacturer must maintain a certification program for the purpose of training and certifying technicians to service and repair electronic gaming devices manufactured by the registered manufacturer. Upon request, the registered manufacturer must provide evidence of such program to the Board, including a full description of the program, models of electronic gaming devices for which training is provided, criteria for certification, information concerning instructor qualifications, and copies of training materials and tests. Any program deemed insufficient by the Board must be modified at the Board's request.

d. The registered manufacturer must ensure that its technician employees have received sufficient and appropriate training in the service and repair of each of its approved electronic gaming device models before the electronic gaming device may be placed in operation in New York.

e. A registered manufacturer that certifies other persons as technicians must ensure that the technicians have received sufficient and appropriate training in the service and repair of the approved electronic gaming device to be operated by the gaming operator licensee, or distributed by the registered distributor, employing the technician.

f. Upon request by the Board, the certified technician, or the registered manufacturer, distributor, or gaming operator employing the technician, must

provide proof satisfactory to the Board of the technician's certification.

g. The Tribal gaming operation is responsible for ensuring that all service and repairs on its electronic gaming devices, including the installation or repairs of component parts such as bill acceptors, monitoring systems, or other parts that would significantly alter the current or subsequent operation of an electronic gaming device, are made correctly and in compliance with Board requirements.

h. Except for certified technicians, no employee of the Tribal gaming operation may perform service or repairs on electronic gaming devices other than incidental repairs. Incidental repairs are repairs that do not affect any of the devices' major systems or require that the person making the repair access any internal space of the electronic gaming devices.

i. The interior logic cage compartment and the exterior main door of each electronic gaming device must each be secured by a key unlike any other access key for the electronic gaming device. The registered manufacturer or distributor must provide to the Commission sets of both keys needed to access the locked compartments of all electronic gaming devices sold or distributed by the registered manufacturer or distributor in the State. A Tribal gaming operation may retain only one of the keys necessary to access the locked logic cage compartment of each of its electronic gaming devices and a log must be kept detailing each use of the key. The other logic cage key shall be secured by the Commission. Multiple exterior door keys, the number of which shall be determined by the Commission and the Board, may be kept on premises. The exterior door keys will be issued, on a shift basis, to personnel qualified under subparagraph b with maintaining the machines. When exterior door keys are not being used they shall be maintained in a lock box designed for the purpose of securing the keys.

j. The Tribal gaming operation must keep a written maintenance log inside the main cabinet access area of each electronic gaming device. Every person who gains entry into any internal space of an electronic gaming device must sign the maintenance log, indicate the date and time of entry, indicate any mechanical meter readings, and list all areas inspected, repaired or serviced. The Tribal gaming operation must retain the maintenance log for a period of five years and must make the maintenance log available to the Board or its authorized agents upon request.

k. The Tribal gaming operation shall notify the Board, the surveillance department and the security department prior to gaining entry into any electronic gaming device, or accessing the area in which the Network

Controller computers are located. Tribal gaming operation employees accessing the area in which the Network Controller computers are located shall be accompanied at all times by personnel from the Security Department and personnel or agents of the Board.

(G) Specifications for play of electronic gaming devices

Each electronic gaming device shall conform to the following specifications:

(1) Game play.

a. Player inserts coin, paper currency or other representative of value into an electronic gaming device, which entitles the player to participate in one or more games.

b. Player selects the amount to be wagered or the price of the electronic pull-tab ticket.

c. With respect to each game, the player makes Patron Selections by touching the dedicated display or a panel of buttons designated for such purposes, or through the use of an automated random selection button (Quick Pick).

d. In the game Electronic Keno, Patron Selections are communicated to the Network Controller computer, then enrolled by the Network Controller computer in the next available game, and then printed on a Game Play Ticket. Following the enrollment, the Patron Selections are displayed on the electronic gaming devices. The Game Play Ticket is then printed by the electronic gaming devices prior to the next Game Draw.

e. In the game Electronic Pull-Tab Tickets, after the patron selects the Game Identifier an electronic pull tab ticket is randomly selected by the Network Controller and is communicated to the electronic gaming device which then prints a Game Play Ticket.

(2) Prize structure.

a. Prize eligibility. In each Game, a player is eligible to win a prize at each Prize Level. Each Game may have one or more Prize Levels. Each Prize Level is associated with at least one prize.

b. Prize pool accounting. When a Wager is collected from a player, the Wager is recorded by the On-Line System.

c. Determination of prizes. Prizes may be distributed in predetermined amounts. If predetermined prizes are to be distributed, there must be sufficient money at the gaming facility to award such prizes. The predetermined prize amount shall be adjusted to permit the distribution of equal prizes among all winners at that Prize Level for the Game Draw. No prize or group of prizes distributed at any Prize Level shall exceed the total amount of the predetermined prize.

d. Temporary line of credit. Notwithstanding any inconsistent provision of this section, the Tribe may make a one time loan for the initial start-up funding of the prize pools for Electronic Keno and Electronic Pull-Tab Game. Said loan shall be repaid within twelve (12) months.

e. Display of prize values and pool balances. The calculation of prizes shall be performed by the Network Controller. Prize information shall be transmitted to the electronic gaming devices for display.

(H) Severability.

If a material provision in this Section is held invalid pursuant to a final judgment of a State or federal court, this Section shall be void.

(I) Expiration date.

Authorization for the conduct of gaming activities on electronic gaming devices shall expire on May 27, 2000.

AMENDMENT

TO

APPENDIX B

32. Internal controls for electronic gaming devices

Notwithstanding any inconsistent provisions of Appendices A and B, the following standards shall be utilized as internal controls for electronic gaming devices, as such term is defined in Appendix A, Section XXVII, Electronic gaming devices. For this section only, credit or customer credit means a unit of value equivalent to cash or cash equivalents deposited, wagered, won, lost or redeemed by a patron. Nothing contained herein shall be construed to limit the presence of Board personnel or Board agents during the conduct of any procedure required under Appendices A or B, or the right to unfettered access provided by Section 11 (b) of the Compact.

(a) Definitions. The definitions below shall apply to all provisions of this section unless otherwise noted.

(1) Accumulated credit payout means credit earned in an electronic gaming device that is paid to a customer manually.

(2) Actual hold percentage means the percentage calculated by dividing the win by the drop or cash-in.

(3) Bill validator (or currency acceptor) means a device that accepts and reads currency by denomination in order to accurately register customer credits at an electronic gaming device.

(4) Calibration module means the section of a weigh scale used to set the scale to a specific amount or number of coins to be counted.

(5) Cash-out ticket or Redemption Ticket, as that term is defined in Appendix A, Section XXVII, means an instrument of value generated by an electronic gaming device representing a monetary amount owed to a customer at a specific electronic gaming device.

(6) Cash-in meter means the meter that displays the total amount wagered in an electronic gaming device which includes cash-in and credits played.

(7) Coin(s) shall include token(s).

(8) Coin room inventory means coins and tokens stored in the coin room that are generally used for electronic gaming device department operation.

(9) Coin room vault means an area where coins and tokens used in the electronic gaming device department operation are stored.

(10) Count means the total funds counted for a particular game, electronic gaming device, shift, or other period.

(11) Count room means a room where the coin and cash drop from electronic gaming devices, table games or other games are transported to and

counted. The characteristics of a count room are contained in Appendix B Section 29.

(12) Currency acceptor (also known as a bill validator or bill changer), means the device that accepts and reads currency by denomination in order to accurately register customer credits at an electronic gaming device.

(13) Currency acceptor drop means cash contained in currency acceptor drop boxes.

(14) Currency acceptor drop box, also known as a cash storage box, means box attached to currency acceptors used to contain currency received by currency acceptors.

(15) Currency acceptor drop box release key means the key used to release currency acceptor drop box from currency acceptor device.

(16) Currency acceptor drop storage rack key means the key used to release currency acceptor drop boxes from the storage rack.

(17) Drop box storage rack keys means the key used to release drop boxes from the storage rack.

(18) Drop bucket means a container located in the drop cabinet (or in a secured portion of the electronic gaming device) for the purpose of collecting coins, tokens, cash-out tickets and coupons from the electronic gaming device.

(19) Drop cabinet is the wooden or metal base of the electronic gaming device which contains the electronic gaming device drop bucket.

(20) EPROM means erasable programmable read-only memory.

(21) Floor pars means the sum of the theoretical hold percentages of all electronic gaming devicess within an electronic gaming device denomination weighted by the coin-in contribution.

(22) Game server means an electronic selection device, utilizing a random number generator.

(23) Electronic gaming device shall have the meaning as provided in Appendix A Section XXVII.

(24) Electronic gaming device analysis report means a report prepared that compares theoretical to actual hold by an electronic gaming device on a monthly or other periodic basis.

(25) Electronic gaming device bill-in meter means a meter included on an electronic gaming device that accepts currency that tracks the number of bills put in the electronic gaming devices.

(26) Electronic gaming device count means the total amount of coins and tokens removed from an electronic gaming device drop bucket or bag. The amount counted is entered on the Electronic gaming device Count Sheet and is considered the drop. Also, the procedure of counting the coins and tokens or the process of verifying electronic gaming device coin and token inventory.

(27) Electronic gaming device count team means personnel that perform the count of the electronic gaming device drop.

(28) Electronic gaming device credit-in meter means a meter that records the amount wagered as a result of credits played.

(29) Electronic gaming device drop cabinet means the stand that contains the drop bucket.

(30) Electronic gaming device payout sheet means a list of the electronic gaming device payouts.

(31) Electronic gaming device game mix means the type and number of games in a multiple game electronic gaming device.

(32) Electronic gaming device hopper loads means coins or tokens stored within an electronic gaming device.

(33) Electronic gaming device monitoring system means a system used by a Tribal gaming operation to monitor electronic gaming device meter reading activity on an online basis.

(34) Electronic gaming device pay table means the combinations illustrated on the face of the electronic gaming device that can identify payouts of designated coin amounts.

(35) Electronic gaming device weigh/count and wrap means the comparison of the weighed electronic gaming device drop to counted and wrapped coin.

(36) Hold means the relationship of win to cash-in for electronic gaming devices.

(37) Internal audit means individuals who perform an audit function of a Tribal gaming operation that are independent of the department subject to audit. Independence is obtained through the organizational reporting relationship as the internal audit department shall not report to management of the Tribal gaming operation. Internal audit activities shall be conducted in a manner that permits objective evaluation of areas examined and the results of internal audits are to be communicated to management. Internal audit personnel may provide audit coverage to more than one operation within a Tribal gaming operation holdings.

(38) Jackpot payout means a total payout or the portion of a jackpot paid by electronic gaming device personnel.

(39) Jackpot payout slip means a form on which the amount of a jackpot paid by electronic gaming device personnel is recorded.

(40) Master electronic gaming devices payout form means a document used to log all progressive jackpots and amounts won greater than $1,200.

(41) Master game program number means the game program number listed on an electronic gaming device EPROM.

(42) Mechanical coin counter means a device used to count coins that may be used in addition to or in lieu of a coin weigh scale.

(43) Meter means an electronic (soft) or mechanical (hard) apparatus in an electronic gaming device.

(44) Metered count machine means a device used in a coin room to count coin.

(45) Multi-game electronic gaming devices means an electronic gaming device that includes more than one type of game option.

(46) Par percentage means the percentage of each dollar wagered that the house wins (i.e., Tribal gaming operation advantage).

(47) Par sheet means a specification sheet for an electronic gaming device that provides electronic gaming devices hold percentage, model number, hit frequency, number of coins that can be accepted and listing.

(48) PIN means personal identification number selected by player and used to access player's account.

(49) Player tracking system means a system typically used in electronic gaming device departments that can record the electronic gaming device play of individual patrons.

(50) Primary and secondary jackpots means promotional pools offered at certain electronic games that can be won in addition to the primary pot.

(51) Progressive electronic gaming device means an electronic gaming device, with a payoff indicator, in which the payoff increases as it is played (i.e., deferred payout). The payoff amount is accumulated, displayed on a electronic gaming device and will remain until a player receives the numbers, colors and/or symbols that result in the progressive amount being paid.

(52) Progressive jackpots means deferred payout from a progressive electronic gaming device.

(53) Promotional payouts may be personal property or awards given to players by the Tribal gaming operation as an inducement to play.

(54) Random number generator means a device that generates numbers in the absence of a pattern.

(55) Shift means any time period designated by management up to twenty-four (24) hours.

(56) Soft count means the count of the contents in a drop box or currency acceptor.

(57) Terminal number means a unique number assigned to identify a single electronic gaming device in the Tribal gaming operation.

(58) Theoretical hold means the intended hold percentage or win of an individual electronic gaming device as computed by reference to its payout schedule and EPROM.

(59) Theoretical hold worksheet means a worksheet provided by the manufacturer for all electronic gaming devices which indicate the theoretical percentages that the electronic gaming device should hold based on adequate levels of coin-in or cash-in. The worksheet also indicates the number of coins and/or credits that may be played, the payout schedule and other information descriptive of the particular type of electronic gaming device.

(60) Tokens means a coin-like money substitute, in various denominations, used for gambling transactions.

(61) Weigh count means the value of coins as determined by a weigh scale.

(62) Weigh scale calibration module means the device used to adjust a coin weigh scale.

(63) Weigh scale interface means a communication device between the weigh scale used to calculate the amount of funds included in drop buckets and the computer system used to record the weigh data.

(64) Weigh tape means the tape where weighed coin is recorded.

(65) Wide area progressive electronic gaming device means a progressive electronic gaming device that makes deferred payouts where individual electronic gaming devices are linked to electronic gaming devices in other operations and all the electronic gaming devices affect the progressive amount. As a coin, token or currency is inserted into a single electronic gaming devices, the progressive meter on all of the linked electronic gaming devices increases.

(66) Win means the net win resulting from all gaming activities. Net win results from deducting all gaming losses from all wins prior to considering associated operating expenses.

(67) Wrap means the procedure of wrapping coins. May also refer to the total amount or value of the wrapped coins.

(b) Coin drop standards.

(1) A minimum of three employees, one from the Security Department and one from the Commission shall be involved in the removal of the electronic gaming device coin drop and transportation of such to the count room.

(2) Count room personnel shall not be allowed to exit or enter the count room during the count except for emergencies or scheduled breaks. At no time when uncounted funds are present shall there be less than three (3) persons in the count room at least one of whom shall be employed by the Commission.

(3) Each Tribal gaming operation shall maintain on file the time when the drop buckets and bill acceptor canisters will be removed and the time when the contents are to be counted. Such documentation shall be made available for inspection by the Board upon request.

(4) All drop buckets or canisters shall be removed only at the time previously designated except for emergency drops.

(5) The electronic gaming device drop supervisor shall notify surveillance when the drop is to begin in order that surveillance may monitor the activities.

(6) Surveillance shall record in a proper log or journal in a legible manner any exceptions or variations to established procedures observed during the drop. Upon observation of exceptions or variations to established procedures Surveillance shall immediately notify the Board. Such log or journal shall be made available for review to persons authorized to view such by the Commission and the Board.

(7) Security personnel shall physically accompany the buckets removed from the electronic gaming device drop cabinets to the count room.

(8) As each electronic gaming device is opened, the contents shall be tagged with its respective electronic gaming device number if the bucket is not permanently marked with the electronic gaming device number. The contents shall be transported directly to the area designated for the counting of such monies. If more than one trip is required to remove the contents of the electronic gaming devices, the filled carts of coins and/or paper currency shall be securely

locked in the count room. There shall be a locked covering on any carts in which the drop route includes passage out of doors.

(9) Each drop bucket in use shall be:

(i) Housed in a locked compartment separate from any other compartment of the electronic gaming device and keyed differently than other electronic gaming device compartments; and

(ii) Identifiable to the electronic gaming device from which it is removed (i.e., permanently marked with the electronic gaming device I.D. number, or bar coded labels, printed tags, etc.). If the electronic gaming device is identified with a removable tag which is placed in the bucket, the tag shall be placed on top of the bucket when it is collected.

(10) Each electronic gaming device shall have drop buckets into which coins or tokens that are retained by the electronic gaming device are collected. Drop bucket contents shall not be used to make change or pay hand-paid payouts.

(11) The collection procedures may include procedures for dropping electronic gaming devices which have trays instead of drop buckets.

(c) Equipment standards.

(1) A weigh scale calibration module shall be secured so as to prevent unauthorized access (e.g., prenumbered seal, lock and key, etc.).

(2) Personnel from the Board, Commission and Security shall be required to be present whenever the calibration module is accessed.

(3) Such access shall be documented and maintained by written entry in a log.

(4) If a weigh scale interface is used, it shall be adequately restricted so as to prevent unauthorized access (passwords, keys, etc.).

(5) If the weigh scale has a zero adjustment mechanism, it shall be physically limited to minor adjustments (e.g., weight of a bucket) or physically situated such that any unnecessary adjustments to it during the weigh process would be observed by other count team members.

(6) The weigh scale and weigh scale interface (if applicable) shall be tested by someone who is independent of the cage, vault and electronic gaming device departments and count team at least quarterly. At least semi-annually, this test shall be performed by internal audit in accordance with the internal audit standards. The

result of these tests shall be documented and signed by the person(s) performing the test. Test results shall be promptly forwarded to the Commission and the Board.

(7) During the electronic gaming device count, at least two employees, at least one of whom shall be employed by the Commission, shall verify the accuracy of the weigh scale with varying weights or with varying amounts of previously counted coin for each denomination to ensure the scale is properly calibrated (varying weights/coin from drop to drop is acceptable).

(8) If a mechanical coin counter is used in place of a weigh scale, the Tribal gaming operation shall establish and comply with procedures that are equivalent to those described in paragraphs (c)(7) and (c)(9) of this section.

(9) If a coin meter count machine is used, the count team member shall record the electronic gaming device number denomination and number of coins in ink on a source document, unless the meter machine automatically records such information.

(d) Electronic gaming device count and wrap standards.

(1) The weigh/count shall be performed by a minimum of three employees at least one of whom shall be employed by the Commission.

(2) At no time during the weigh/count shall there be fewer than three employees in the count room at least one of whom shall be employed by the Commission.

(3) The electronic gaming device count team shall be independent of the electronic gaming device department and the subsequent accountability of electronic gaming device count proceeds, unless they are non-supervisory electronic gaming device employees and perform the laborer function only. A non-supervisory electronic gaming device employee is defined as a person below the level of electronic gaming device shift supervisor.

(4) The following functions shall be performed in the counting of the electronic gaming device drop:

(i) Recorder function which involves the recording of the electronic gaming device count;

(ii) Count team supervisor function which involves the control of the electronic gaming device weigh and wrap process.

(5) The amount of the electronic gaming device drop from each electronic gaming device shall be recorded in ink on an electronic gaming device count document by the recorder or mechanically printed by the weigh scale. If a weigh scale interface is used, the electronic

gaming device drop figures are transferred via direct line or computer storage media.

(6) The recorder and at least one other count team member shall sign the weigh tape and the electronic gaming device count document attesting to the accuracy of the weigh/count.

(7) At least three employees who participate in the weigh/count and/or wrap process shall sign the electronic gaming device count document or a summary report to attest to their presence. If all other count team members do not sign the electronic gaming device count document or a summary report, they shall sign a supplemental document evidencing their participation in the weigh/count and/or wrap.

(8) The coins shall be wrapped and reconciled in a manner which precludes the commingling of electronic gaming device drop coin with coin, for each denomination, from the next electronic gaming device drop.

(9) At least two employees and an employee of the Commission shall be present throughout the wrapping of the electronic gaming device drop.

(10) If the electronic gaming device count is conducted with a continuous mechanical count meter which is not reset during the count and is verified in writing by at least three employees at the start and end of each nomination count, then one employee may perform the wrap.

(11) The coins shall be wrapped immediately after being weighed or counted. As the coin is being wrapped, it shall be maintained in such a manner so as to be able to obtain an accurate count when the wrap is completed. At the completion of the wrap, a count team member shall independently count the wrap and reconcile it with the weigh/meter count.

(12) If the coins are transported off the property, a second (alternative) count procedure shall be performed before the coins leave the property. Any variances shall be documented and reported to the Board.

(13) Transfers out of the count room during the electronic gaming device count and wrap process, if any, shall be recorded on a separate multi-part form with a preprinted or concurrently-printed form number (used solely for electronic gaming device count transfers) which shall be subsequently reconciled by the accounting department to ensure the accuracy of the reconciled wrapped electronic gaming device drop. Transfers must be counted and signed for by at least two members of the count team and by someone independent of the count team who is responsible for authorizing the transfer.

(14) If the count room serves as a coin room and coin room inventory is

not secured so as to preclude access by the count team, then the following two standards shall apply:

(i) At the commencement of the electronic gaming device count the following requirements shall be met:

(A) The coin room inventory shall be counted by at least two employees, one of whom is a member of the count team and the other is independent of the weigh/count and wrap procedures;

(B) The count in paragraph (d)(14)(i)(A) of this section shall be recorded on an appropriate inventory form;

(ii) Upon completion of the wrap of the electronic gaming device drop:

(A) At least two members of the count team (wrap team), independently from each other in the presence of a Commission employee, shall count the ending coin room inventory;

(B) The counts in paragraph (d)(14)(ii)(A) of this section shall be recorded on a summary report(s) which evidences the calculation of the final wrap by subtracting the beginning inventory from the sum of the ending inventory and transfers in and out of the coin room;

(C) The same count team members shall compare the calculated wrap to the weigh/count, recording the comparison and noting any variances on the summary report;

(D) A member of the cage/vault department shall count the ending coin room inventory by denomination and shall reconcile it to the beginning inventory, wrap, transfers and weigh/count;

(E) At the conclusion of the reconciliation, at least two count/wrap team members and the verifying employee shall sign the summary report(s) attesting to its accuracy; and

(F) Copies of summary reports denoting variances shall be provided to the Board immediately.

(15) If the count room is segregated from the coin room, or if the coin room is used as a count room and the coin room inventory is secured to preclude access by the count team, all of the following requirements shall be completed, at the conclusion of the count:

(i) At least two members of the count/wrap team, in the presence

of a Commissioner employee, shall count the final wrapped electronic gaming device drop independently from each other;

(ii) The counts shall be recorded on a summary report;

(iii) The same count team members (or the accounting department) shall compare the final wrap to the weigh/count, recording the comparison and noting any variances on the summary report;

(iv) A member of the cage/vault department shall count the wrapped electronic gaming device drop by denomination and reconcile it to the weigh/count;

(v) At the conclusion of the reconciliation, at least two count team members and the cage/vault employee shall sign the summary report attesting to its accuracy; and

(vi) The wrapped coins (exclusive of proper transfers) shall be transported to the cage, vault or coin vault after the reconciliation of the weigh/count to the wrap.

(16) Large (by denomination, either $1,000 or 2% of the drop, whichever is less) or unusual (e.g., zero for weigh count or patterned for all counts) variances between the weigh/count and wrap shall be investigated by the Commission, Board and management personnel independent of the electronic gaming device department, count team and the cage/vault functions on a timely basis. Notification of large variances shall be given to the Commission and the Board upon discovery.

(17) The results of such investigations shall be documented and maintained.

(18) All electronic gaming device count and wrap documentation, including any applicable computer storage media, shall be immediately delivered to the accounting department by personnel of the Security Department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department.

(19) If applicable, the weight shall be converted to dollar amounts prior to the reconciliation of the weigh to the wrap.

(20) A count team member, in the presence of a Commission employee, shall test the metered count machine (if used) prior to the actual count to ascertain if the metering device is functioning properly with a predetermined number of coins for each denomination.

(21) If a coin meter is used, a count team member shall convert the coin count for each denomination into dollars and shall enter the results on a summary sheet.

(22) Immediately upon receiving the funds, an independent person shall count the electronic gaming device drop by denomination and shall sign the count sheet attesting to the accuracy of the total and the denominations of the funds received.

(23) After the weigh/wrap count has been completed, the count/wrap amount shall be posted to cage accountability.

(24) Electronic gaming device analysis reports, which compare actual hold to theoretical hold by electronic gaming device shall be prepared on at least a monthly basis.

(25) Such reports shall provide all data on both month-to-date and year-to-date bases.

(26) The electronic gaming device coin-in drop cabinet shall be secured and accounted for during the removal and maintenance of electronic gaming devices.

(27) Cashier/change banks shall be counted and reconciled for each shift.

(28) Corrections on electronic gaming device count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team employees. If a weigh scale interface is used, corrections to electronic gaming device count data shall be made using either of the following:

(i) Crossing out the error on the electronic gaming device document, entering the correct figure, and then obtaining the initials of at least two count team employees. If this procedure is used, an employee independent of the electronic gaming device department and count team shall enter the correct figure into the computer system prior to the generation of related electronic gaming device reports; or

(ii) During the count process, correct the error in the computer system and enter the passwords of at least two count team employees. If this procedure is used, an exception report shall be generated by the computer system identifying the electronic gaming device number, the error, the correction and the count team employees attesting to the correction.

(29) All reports required to be maintained shall be provided to the Board on a daily basis.

(f) Currency acceptor drop and count standards.

(1) The currency acceptor drop boxes shall be removed by two employees, one of whom shall be an employee independent of the electronic gaming device department.

(2) The transporting of currency acceptor drop boxes shall be performed by a minimum of two employees at least one of whom is an employee of the Security Department. The currency acceptor drop boxes shall be transported directly to the soft count room or other similarly restricted location and locked in a secure manner until the count takes place.

(3) The currency acceptor count shall be performed in a soft count room or equivalently secure area with comparable controls.

(4) The currency acceptor count shall be performed by a minimum of three employees, at least one of whom shall be an employee of the Commission.

(5) Currency acceptor count team members shall be rotated on a routine basis such that the count team is not consistently the same three individuals more than four days per week.

(6) The currency acceptor count team shall be independent of transactions being reviewed and counted and the subsequent accountability of currency drop proceeds.

(7) A cage cashier may be used if this person is not allowed to perform the recording function. An accounting representative may be used if there is an independent audit of all currency acceptor count documentation.

(8) The currency acceptor drop boxes shall be individually emptied and counted in such a manner as to prevent the commingling of funds between boxes until the count of the box has been recorded.

(9) The count of each box shall be recorded in ink or other permanent form of recordation.

(10) If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, a count team member shall be able to witness the loading and unloading of all currency at the currency counter, including rejected currency.

(11) Drop boxes, when empty, shall be shown to another member of the count team or to another person who is observing the count, and to recorded or live surveillance.

(12) Corrections to information originally recorded by the count team on currency acceptor count documentation shall be made by crossing out the error, entering the correct figure, and then obtaining the initials of at least two count team members who verified the change.

(13) The count sheet shall be reconciled to the total drop by a count team member who shall not function as the sole recorder.

(14) All members of the count team shall attest by signature to the accuracy of the currency acceptor drop count. Three verifying signatures on the count sheet shall be adequate if all additional count team employees sign a supplemental document evidencing their involvement in the count process.

(15) All monies that were counted shall be turned over to the cage cashier who is independent of the count team or to an employee independent of the revenue generation and the count process for verification.

(16) The employee, described in paragraph (15) above, shall certify by signature as to the accuracy of the currency delivered and received.

(17) Access to stored full drop boxes shall be restricted to authorized members of the drop and count teams.

(18) Access to the count room shall be restricted to members of the drop and count teams, excluding Board authorized observers, supervisors for resolution of problems, and Board authorized maintenance personnel.

(19) The count sheet, with all supporting documents, shall be promptly delivered to the accounting department by a count team member or someone other than the cashiers department. Alternatively, it may be adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department. A copy of each count sheet shall be forwarded to the Board within twenty-four hours of the completion of the count.

(g) Jackpot payouts and accumulated credit payouts standards.

(1) For jackpot payouts documentation shall include the following information:

(i) Date and time;

(ii) Electronic gaming device number;

(iii) Dollar amount of cash payout (both alpha and numeric), or description of personal property awarded; alpha is optional if another unalterable method is used for evidencing the amount of the payout;

(iv) Game outcome (including symbols, card values and suits, etc.) for jackpot payouts;

(v) Signatures of at least two employees verifying and witnessing the payout by a third employee; however, on graveyard shifts (eight-hour maximum) payouts less than $100 can be made without the payout being witnessed if the second person

signing can reasonably verify that a payout is justified; and

(vi) Preprinted or concurrently-printed sequential number.

(2) Jackpot payouts over an amount predetermined by the Board shall require the signature and verification of a supervisory or management employee independent of the electronic gaming device department. Any payout of an amount exceeding this predetermined amount shall be authorized by management, and documented and maintained in a log.

(3) Computerized jackpot shall be restricted so as to prevent unauthorized access and fraudulent payouts by one individual.

(4) Payout forms shall be controlled and routed in a manner that precludes any one individual from producing a fraudulent payout by forging signatures or by altering the amount paid out subsequent to the payout and misappropriating the funds.

(h) If a Tribal gaming operation offers promotional payouts and awards, the payout form/documentation includes the following information:

(1) Date and time;

(2) Electronic gaming device number and denomination;

(3) Dollar amount of payout or description of personal property (e.g., jacket, toaster, car, etc.);

(4) Type of promotion (e.g., double jackpots, four-of-a-kind bonus, etc.); and

(5) Signature of at least one employee authorizing and completing the transaction.

(i) EPROM standards.

(1) At least annually, procedures shall be performed to insure the integrity of a sample of electronic gaming device game program EPROMs by Board certified personnel independent of the Tribal gaming operation or the electronic gaming devices being tested.

(2) EPROM control standards.

(i) Procedures shall be developed and implemented for the following:

(A) Removal of EPROMs from devices, the verification of the existence of errors as applicable, and the correction via duplication from the master game program EPROM;

(B) Copying one gaming device program to another approved program;

(C) Verification of duplicated EPROMs prior to being offered for play;

(D) Destruction, as needed, of EPROMs with electrical failures; and

(E) Securing the EPROM duplicator and master game EPROMs from unrestricted access.

(ii) The master game program number, par percentage, and the pay table shall be verified to the par sheet when initially received from the manufacturer.

(iii) Electronic gaming devices with potential jackpots in excess of $100,000 shall have the circuit boards locked or physically sealed. The lock or seal shall necessitate the presence of an individual independent of the electronic gaming device department to access the device game program EPROM. If a seal is used to secure the board to the frame of the gaming device, it shall be pre-numbered.

(iv) Records which document the procedures in paragraph (i) (2) (i) of this section shall include the following information:

(A) Date;

(B) Electronic gaming device number (source and destination);

(C) Manufacturer;

(D) Program number;

(E) Personnel involved;

(F) Reason for duplication;

(G) Disposition of any permanently removed EPROM;

(H) Seal numbers, if applicable; and

(I) Board approved testing lab approval numbers.

(3) EPROMs returned to gaming devices shall be labeled and shall include the date program number, information identical to that shown on the manufacturer's label, and initials of the individual replacing the EPROM. The enclosure housing the EPROMs and/or logic boards must be sealed with evidence tape or other seal approved by the Board or its

agent.

(j) Standards for evaluating theoretical and actual hold percentages.

(1) Accurate and current theoretical hold worksheets shall be maintained for each electronic gaming device.

(2) For those electronic gaming devices or groups of identical Electronic gaming devices (excluding multi-game electronic gaming devices) with differences in theoretical payback percentage exceeding a 4% spread between the minimum and maximum theoretical payback, an employee or department independent from the electronic gaming device department shall:

(i) On a quarterly basis, record the meters that contain the number of plays by wager (i.e., one coin or credit, two coins or credits, etc.);

(ii) On an annual basis, calculate the theoretical hold percentage based on the distribution of plays by wager type;

(iii) On an annual basis, adjust the electronic gaming device(s) theoretical hold percentage in the electronic gaming device statistical report to reflect this revised percentage.

(3) For multi-game electronic gaming devices, an employee or department independent of the electronic gaming device department shall:

(i) Weekly record the total cash-in meter;

(ii) Quarterly record the cash-in meters for each game contained in the electronic gaming device;

(iii) On an annual basis adjust the theoretical hold percentage to a weighted average based upon the ratio of cash-in for each game.

(4) The adjusted theoretical hold percentage for multi-game electronic gaming devices may be combined for electronic gaming devices with exactly the same game mix throughout the year.

(5) The theoretical hold percentages used in the electronic gaming device analysis reports should be within the performance standards set by the manufacturer.

(6) Records shall be maintained for each electronic gaming device which indicate the dates and type of changes made and the recalculation of theoretical hold as a result of the changes.

(7) Records shall be maintained for each electronic gaming device which indicate the date the electronic gaming device was placed into

service, the date the electronic gaming device was removed from operation, the date the electronic gaming device was placed back into operation, and any changes in electronic gaming device numbers and designations.

(8) All of the electronic gaming devices shall contain functioning meters which shall record cash-in or credit-in.

(9) All electronic gaming devices with currency acceptors shall contain functioning bill-in meters which record the dollar amounts or number of bills accepted by denomination.

(10) Electronic gaming device in-meter readings shall be recorded at least weekly immediately prior to or subsequent to an electronic gaming device drop. However, the time between readings may extend beyond one week in order for a reading to coincide with the end of an accounting period only if such extension is for no longer than six days. In-meter readings should be retained for at least five years.

(11) The employee who records the in-meter reading shall either be independent of the hard count team or shall be assigned on a rotating basis, unless the in-meter readings are randomly verified quarterly for all electronic gaming devices and currency acceptors by someone other than the regular in-meter reader.

(12) Upon receipt of the meter reading summary, the accounting department shall review all meter readings for reasonableness using pre-established parameters.

(13) Prior to final preparation of statistical reports, meter readings which do not appear reasonable shall be reviewed with electronic gaming device department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected.

(14) A report shall be produced at least monthly showing month-to-date, year-to-date, and if practicable, life-to-date actual hold percentage computations for individual electronic gaming devices and a comparison to each electronic gaming device's theoretical hold percentage previously discussed.

(15) Each change to an electronic gaming device's theoretical hold percentage, including progressive percentage contributions, shall result in that electronic gaming device being treated as a new electronic gaming device in the statistical reports (i.e., not commingling various hold percentages).

(16) If promotional payouts and awards are included on the electronic gaming device statistical reports, it shall be in a manner which prevents distorting the actual hold percentages of the affected

electronic gaming devices.

(17) A report shall be produced at least monthly showing year-to-date combined electronic gaming device performance, by denomination. The report shall include the following for each denomination:

(i) Floor par;

(ii) Combined actual hold percentage;

(iii) Percentage variance; and

(iv) Projected dollar variance (i.e., coin-in or cash-in times the percentage variance).

(18) The statistical reports shall be reviewed by both electronic gaming device department management and management employees independent of the electronic gaming device department on at least a monthly basis.

(19) Large variances between theoretical hold and actual hold shall be investigated by the Board and Commission and resolved with the findings documented in a timely manner.

(20) For purposes of analyzing large variances between actual hold and theoretical hold percentages, information to create floor par reports by electronic gaming device type shall be maintained.

(21) Maintenance of the computerized electronic gaming device monitoring system data files shall be performed by a department independent of the electronic gaming device department. Alternatively, maintenance may be performed by electronic gaming device supervisory employees if sufficient documentation is generated and it is randomly verified on a monthly basis by employees independent of the electronic gaming device department. All maintenance must be conducted in conformity with Appendix A Section XXVII (F)(2).

(22) Updates to the computerized electronic gaming device monitoring system to reflect additions, deletions, or movements of electronic gaming devices shall be made at least weekly prior to in-meter readings and the weigh process.

(23) All reports required to be maintained or created by this section shall be forwarded to the Board within twenty-four (24) hours of creation or maintenance.

(k) Electronic gaming device contents standards.

(1) When an electronic gaming device is temporarily removed from the floor, electronic gaming device drop contents shall be protected to preclude the misappropriation of stored funds.

(2) When electronic gaming device are permanently removed from the floor, the electronic gaming device drop contents shall be counted and recorded by at least two employees with appropriate documentation being routed to the accounting department for proper recording and accounting for initial loads.

(l) Electronic gaming device drop keys standards.

(1) The physical custody of the keys needed to access electronic gaming device coin drop cabinets, including duplicates, shall require the involvement of two persons, one of whom is an employee of the Commission.

(2) Electronic gaming device coin drop cabinet keys, including duplicates, shall be maintained by the Commission.

(3) Two employees, one of whom is an employee of the Commission, shall be required to observe each time electronic gaming device drop cabinets are accessed. Surveillance shall be notified each time keys are checked out.

(m) Currency acceptor key control standards.

(1) The physical custody of the keys needed for accessing stored full currency acceptor drop box contents shall require involvement of at least two persons, one of whom shall be a Commission employee.

(2) Only the employees authorized to remove the currency acceptor drop boxes shall be allowed access to the release keys. For situations that require access to the currency acceptor drop box at other than scheduled drop time, the date, time, and signature of employee signing out/in the release key must be documented. The currency acceptor drop box release keys shall be separately keyed from the currency acceptor contents keys.

(3) The count team members may have access to the release keys during the count only in order to reset the drop boxes if necessary.

(4) Employees authorized to drop the currency acceptor drop boxes shall be precluded from having access to drop box contents keys.

(5) Someone independent of the electronic gaming device department shall be required to accompany currency acceptor drop box storage rack keys and observe each time drop boxes are removed from or placed in storage racks. Surveillance shall be notified at such times.

(6) Employees authorized to obtain drop box storage rack keys shall be precluded from having access to drop box contents keys (with the exception of the count team).

(7) Access to the currency acceptor contents key at other than scheduled

count times shall require the involvement of at least three employees, at least one of whom shall be an employee of the Commission. The reason for access shall be documented with the signatures of all participants and observers. Only the count team members shall be allowed access to drop box contents.

(8) At least three count team members, one of whom shall be an employee of the Commission, shall be required to be present at the time currency acceptor count room keys and other count keys are issued for the count.

(9) Duplicate keys shall be maintained in such a manner as to provide the same degree of control over drop boxes as is required for the original keys. Records shall be maintained and provided to the Board for each key duplicated which indicate the number of keys made and destroyed.

(n) Player tracking standards.

(1) If a player tracking system is utilized, it shall be secured so as to prevent unauthorized access (e.g., changing passwords at least quarterly and physical access to computer hardware, etc.).

(2) The addition of points to members' accounts other than through actual electronic gaming device play shall be sufficiently documented (including substantiation of reasons for increases) and shall be authorized by a department independent of the player tracking and electronic gaming devices. Alternatively, addition of points to members' accounts may be authorized by electronic gaming device supervisory employees if sufficient documentation is generated and it is randomly verified by employees independent of the electronic gaming device department on a quarterly basis.

(3) Booth employees who redeem points for members shall not have access to lost cards. Such documentation shall be provided to the Commission and the Board within twenty-four (24) hours.

(4) Changes to the player tracking system parameters, such as point structures and employee access, shall be performed by supervisory employees independent of the electronic gaming device department. Alternatively, changes to player tracking system parameters may be performed by electronic gaming device supervisory employees if sufficient documentation is generated and it is randomly verified by supervisory employees independent of the electronic gaming device department on a monthly basis.

(5) All other changes to the player tracking system shall be appropriately documented.

(o) Progressive electronic gaming devices standards.

(1) A meter that shows the amount of the progressive jackpot shall be conspicuously displayed at or near the electronic gaming devices to which the jackpot applies. This standard does not apply to wide area progressive electronic gaming devices.

(i) At least once each day, the Tribal gaming operation shall record the amount shown on each progressive jackpot meter;

(ii) Explanations for meter reading decreases shall be maintained with the progressive meter reading sheets, and where the payment of a jackpot is the explanation for a decrease, the Tribal gaming operation shall record the jackpot payout number on the sheet or have the number reasonably available; and

(iii) The Tribal gaming operation shall record the base amount of each progressive jackpot the licensee offers.

(2) The wide area progressive electronic gaming devices system shall be adequately restricted to prevent unauthorized access (e.g., changing passwords at least quarterly, restrict access to EPROMs, and restrict physical access to computer hardware, etc.).

(3) For the wide area progressive system, procedures shall be developed, implemented, and documented for:

(i) Reconciliation of meters and jackpot payouts;

(ii) Collection/drop of electronic gaming device funds;

(iii) Jackpot verification and payment and billing to other Tribal gaming operations on pro-rata basis;

(iv) System maintenance;

(v) System accuracy; and

(vi) System security.

(4) Reports adequately documenting the procedures required in paragraph (p)(3) of this section shall be generated and retained. Said reports shall be forwarded to the Board within twenty-four hours (24) of generation.

(p) Electronic gaming device accounting/auditing procedures standards.

(1) Electronic gaming device accounting/auditing procedures shall be performed by employees who are independent of the transactions being reviewed.

(2) For computerized player tracking systems, an accounting/auditing employee shall perform the following procedures at least one day per month:

(i) Foot all jackpot and fill slips and trace totals to those produced by the system;

(ii) Review all slips written (from the restricted copy) for continuous sequencing;

(iii) Foot all points-redeemed documentation and trace to the system-generated totals; and

(iv) Review all points-redeemed documentation for propriety.

(3) For computerized electronic gaming device monitoring systems, procedures shall be performed at least monthly to verify that the system is transmitting and receiving data from the electronic gaming devices properly and to verify the continuing accuracy of the coin-in and cash-in meter readings as recorded in the electronic gaming device statistical report.

(4) For weigh scale interface systems, for at least one drop period per month accounting/auditing employees shall compare the weigh tape to the system-generated weigh, as recorded in the electronic gaming device statistical report, in total. Discrepancies shall be resolved prior to generation/distribution of electronic gaming device reports.

(5) For each drop period, accounting/auditing personnel shall compare the "coin-to-drop" meter reading to the actual drop amount. Discrepancies should be resolved prior to generation/distribution of electronic gaming device statistical reports.

(6) Follow-up shall be performed for any one electronic gaming device having an unresolved variance between actual drop and coin-to-drop meter reading in excess of 3%. The follow-up performed and results of the investigation shall be documented and maintained.

(7) At least weekly, accounting/auditing employees shall compare the bill-in meter reading to the total currency acceptor drop amount for the week. Discrepancies shall be resolved prior to the generation/distribution of electronic gaming device statistical reports.

(8) Follow-up shall be performed for any one electronic gaming device having an unresolved variance between actual drop and bill-in meter reading in excess of 3%. The follow-up performed and results of the investigation shall be documented and maintained.

(9) At least annually, accounting/auditing personnel shall randomly

verify that EPROM changes are properly reflected in the electronic gaming device analysis reports.

(10) Accounting/auditing employees shall review exception reports for all computerized electronic gaming device systems on a daily basis for propriety of transactions and unusual occurrences.

(11) All electronic gaming device auditing procedures and any follow-up performed shall be documented and maintained for inspection by the Board.

(12) Board personnel, or their designees, shall have the authority to participate in or assist in the conduct of any audit conducted pursuant to the procedures established in this subsection.

(q) For all computerized electronic gaming device systems, a personnel access listing shall be maintained which includes at a minimum:

(1) Employee name;

(2) Employee identification number (or equivalent); and

(3) Listing of functions employee can perform or equivalent means of identifying same.

The personnel access listing and any modifications thereof shall be filed with the Board.

(r) For any computer applications utilized, alternate documentation and/or procedures which provide at least the level of control described by the standards in this section will be acceptable.

(s) For electronic gaming devices that accept coins or currency and issue cash-out tickets, the following standards shall apply:

(1) In addition to the applicable accounting and auditing standards in paragraph (p) of this section, on a quarterly basis, the Tribal gaming operation shall foot all jackpot cash-out tickets and trace totals to those produced by the system.

(2) The customer may request a cash-out ticket from the electronic gaming device which reflects all remaining credits. The cash-out ticket shall be printed at the electronic gaming device by an internal document printer.

(3) The customer shall redeem the cash-out ticket at a cashiers' cage. Once presented for redemption, the cashier shall:

(i) Scan the bar code via an optical reader or its equivalent; or

(ii) Input the cash-out ticket validation number into the computer.

(4) The information contained in paragraph (s)(3) of this section shall be transmitted to the On-Line System. The On-Line System shall verify the authenticity of the cash-out ticket and communicate directly to the cashier cage terminal.

(5) If valid, the cashier pays the customer the appropriate amount and the cash-out ticket is electronically noted "paid" in the system. The "paid" cash-out ticket shall remain in the cashiers' bank for reconciliation purposes.

(6) If invalid, the On-Line System shall notify the cashier that one of the following conditions exists:

(i) Serial number cannot be found on file (stale date, forgery, etc.);

(ii) Cash-out ticket has already been paid; or

(iii) Amount of cash-out ticket differs from amount on file. The cashier shall refuse payment to the customer and notify a supervisor and the Board of the invalid condition. The supervisor shall resolve the dispute.

(7) If the coinless/cashless electronic gaming device system temporarily fails, cashiers may redeem cash-out tickets after recording the following:

(i) Serial number of the cash-out ticket;

(ii) Date;

(iii) Dollar amount; and

(iv) Issuing electronic gaming device number.

(8) Cash-out tickets shall be validated as expeditiously as possible when the coinless/cashless electronic gaming device system is restored.

(9) The Tribal gaming operation shall develop and implement procedures to control cash-out ticket paper which shall include procedures which:

(i) Mitigate the risk of counterfeiting of cash-out ticket paper;

(ii) Adequately controls the inventory of the cash-out ticket paper; and

(iii) Provide for the destruction of all unused cash-out ticket paper.

Such procedures shall be provided to the Board.

(10) If the coinless/cashless electronic gaming device system is inoperative for more than four hours, the Tribal gaming operation shall promptly notify the Tribal Council or its designated representative and the Board.

(11) Electronic gaming device systems shall comply with all other standards (as applicable) in this section including:

(i) Standards for currency acceptor drop and count;

(ii) Standards for coin drop and count; and

(iii) Standards concerning EPROMS.

(iv) If the electronic gaming device does not accept currency or coin and does not return currency or coin, the following standard shall apply:

(1) Equipment.

(i) Electronic gaming devices. A network of five or more contiguous on-line terminals, connected to the On-Line System, with touch-screen or button-controlled video screen or other electronic display electronic selection device and the central computer via a communications network, which dispenses a Game Play Ticket immediately after a Patron's enrollment in a Game. The electronic gaming devices shall not dispense coins or currency and may only perform the following functions related to the Game:

a. Accepts an identifier or a representative of value qualifying the Patron to participate in one or more Games.

b. Provides patrons with the ability to choose, or have the electronic gaming devices automatically select for them (Quick Pick), combinations of numbers, colors and/or symbols.

c. Electronically displays the Game Identifier and the Patron selections using a dedicated display area that is designated for that function only. Patron selections are displayed on the electronic gaming devices at least as long as the Game Draw for the Game in which a Patron is enrolled is

displayed; provided that the Patron initiates the verification process before that time, the Patron selections for that Game shall no longer be displayed in the dedicated area of the electronic gaming devices display.

d. Prints and dispenses with each Game played an electronic pull-tab ticket or Patron selections and Game Identifier on a Game Play Ticket.

(5) Prints and dispenses a Redemption ticket when the patron activates the cash-out function.

(6) Displays Patron information such as credit balance and Game enrollment.

(7) Displays, for verification purposes, the Game Results, in an area separate from that which displayed the Patron selections, and only upon activation of the electronic gaming devices.

(8) Displays, at the Patron's option, the current value of each prize pool, and the overall estimated odds of winning a prize.

(9) Performs security functions necessary to maintain the integrity of the operation of the electronic gaming device.

(ii) Network Controller computer. A computer that is connected to a minimum of five contiguous terminals. Multiple network controller computers may be utilized to control terminals throughout the gaming facility. Each network controller computer utilized shall be programmed to store Game Server Draws for each Game, and to manage, allocate, and account, with respect to all prize pools, on an individual and aggregate basis. For the purposes of electronic keno and electronic pull-tabs, the network controller computer shall perform the following:

a. Electronic Keno. A network controller computer shall be programmed to randomly select, at pre-established intervals of time identified by the Tribal gaming operation and approved by the Board, and

independently of the On-Line System and electronic gaming devices, a finite field of numbers, colors or symbols from a larger finite pool of letters, numbers, colors or symbols (a Game Draw) in order to determine the outcome of a keno game. The network controller computer interacts with the electronic gaming device only to determine a winner on an electronic gaming device. The electronic gaming device shall communicate to the On-Line System only accounting and player information and shall not have a determination of the outcome of the game.

b. Electronic Pull-Tab Tickets. A network controller computer shall be programmed to randomly draw and dispense, independent of the On-line System and electronic gaming devices, an electronic facsimile of a pull-tab ticket comprised of a predetermined combination of numbers, colors or symbols, from a finite pool of electronic pull-tab tickets comprised of similar numbers, colors or symbols, following a Wager made at an electronic gaming device. Once removed electronically from the finite deal of pull-tab tickets, an electronic pull-tab ticket cannot be re-selected or re-dispensed. The prizes awarded in electronic pull-tab tickets games shall be predetermined by the Tribal gaming operation and approved by the Board. Another finite deal of electronic pull-tab tickets bearing the same Game Identifier may be added to an electronic deal in progress provided that at least fifty percent of the electronic pull-tab tickets in the deal in progress have been electronically removed and dispensed through players' wagers. For purposes of adding additional deals, the fifty percent requirement shall apply to the last deal replenished.

(iii) On-Line System. A central computer connected to all of the electronic gaming devices at a gaming facility. The On-line System is programmed to perform the following:

a. management of Patron account databases consisting of the amount of money deposited, any winnings or losses of the Patron, any credit due to the Patron, and accounting functions unrelated to the play

of the Game;

b. accounting and tracking of electronic gaming device activity;

c. calculation of the contribution payments to the State as required pursuant to subsection (B) of Appendix A Section XXVII; and

d. provide a central monitoring system permitting the Board to remotely dial-in to the On-Line System and monitor and retrieve information in real time from all electronic gaming devices.

(2) The Network Controller computers shall be housed in a game server room or in secure locked cabinets. The door to the game server room or the secured locked cabinets shall be keyed different than any other key used in the gaming facility. Tribal gaming operation employees accessing the area in which a Network Controller computer is housed shall be accompanied at all times by personnel from the Security Department and employees of the Board.

(3) Patron account maintenance standards.

(i) Patrons may access their accounts on the computer system by means of a Player Identification Card at the player terminal. Each player terminal may be equipped with a card reader and PIN (personal identification number) pad or touch screen array for this purpose;

(ii) All communications between the Network Controller computer, On-line System and electronic gaming device shall be encrypted for security reasons.

(4) Patron account generation standards.

(i) A computer file for each patron shall be prepared by a clerk, with no incompatible functions, prior to the patron being issued a PIN card to be utilized for electronic gaming device play. The patron shall select his/her four digit PIN, known only to the patron, to be used in conjunction with the PIN card;

(ii) The clerk shall sign-on with a unique password to a terminal equipped with peripherals required to

input data from the Patron Registration form. Passwords are issued and can only be changed by MIS personnel at the discretion of the department director;

(iii) After entering a specified number of incorrect PIN entries at the cage or player terminal, the patron shall be directed to proceed to the Electronic gaming device information center to obtain a new PIN. If a patron forgets, misplaces or requests a change to their four digit PIN, the patron shall proceed to the Electronic gaming device information center.

(5) Deposit of credits standards.

(i) The cashier shall sign-on with a unique password to a cashier terminal equipped with peripherals required to complete the credit transactions. Passwords are issued and can only be changed by MIS personnel at the discretion of the department director;

(ii) The patron shall present cash, chips, coin or coupons along with their PIN card to a cashier to deposit credits;

(iii) The cashier shall complete the transaction by utilizing a card scanner which the cashier shall slide the patron's PIN card through;

(iv) The cashier shall accept the funds from the patron and enter the appropriate amount on the cashier terminal;

(v) A multi-part deposit slip shall be generated by the point of sale receipt printer. The cashier shall direct the patron to sign two copies of the deposit slip receipt. The original of the signed deposit slip shall be given to the patron. The first copy of the signed deposit slip shall be secured in the cashier's cash drawer;

(vi) The cashier shall verify the patron's balance before completing the transaction. The cashier shall secure the funds in their cash drawer and return the PIN card to the patron.

(6) Prize standards.

(i) Winners at the electronic gaming devices may

receive cash, prizes redeemable for cash or merchandise, at the discretion of the Tribal gaming operation;

(ii) If merchandise prizes are to be awarded, the specific type of prize or prizes which may be won shall be disclosed to the player before the game begins;

(iii) The patron shall maintain his/her PIN card for an indefinite period of time. Patrons shall not be required to redeem the balance in their account immediately or at the end of their gaming trip which creates a liability to the patron from the Tribal gaming operation.

(7) Payoff odds standards.

(i) Payoff odds shall be determined by the Tribal gaming operation and approved by the Tribe or Tribal gaming commission;

(ii) The Tribal gaming operation shall submit the pay rate, pay tables, seed amounts (if applicable), electronic gaming device entry procedures and authorizations, the attendant jackpot payout key control procedures, and electronic gaming device entry key control procedures to the Tribe or the Tribe's independent regulatory body.

(8) The Tribal Council and Tribal gaming operation shall determine the minimum and maximum wagers. The amounts of such wagers shall be conspicuously posted on a sign or displayed on a designated screen of the player terminal.

(9) Jackpot payout procedures.

(i) When any progressive jackpot or a payout of $1,200.00 or more is won, the player terminal shall lock-up preventing further play.

(ii) The player terminal shall indicate by light and sound that a jackpot has been won.

(iii) An attendant shall go to the player terminal and obtain suitable identification such as a driver's license.

(iv) An attendant, in the presence of an employee of the Commission shall complete the electronic gaming device payout form for all winning

jackpots of $1,200.00 or more. The form shall include, at a minimum, the following information:

(A) Game number and type;

(B) Bank location;

(C) Account number of the player;

(D) Name of the player;

(E) Terminal number the jackpot was won at;

(F) Date, time, and shift;

(G) Amount won;

(H) Amount wagered;

(I) Signature and badge number of the attendant verifying surveillance was notified; and

(J) Signature and badge number of attendant attesting to reactivation of the terminal.

(v) The attendant shall reactivate the electronic gaming device upon completion of the appropriate paperwork.

(10) The patron shall present their PIN card to a cashier to withdraw their credits. The cashier shall perform the following:

(i) Scan the PIN card;

(ii) Request the patron to enter their PIN;

(iii) The cashier shall ascertain the amount the patron wishes to withdraw and enter the amount into the computer;

(iv) A multi-part withdrawal slip shall be generated by the point of sale receipt printer. The cashier shall direct the patron to sign the original and one copy of the withdrawal slip;

(v) The cashier shall verify that the PIN card and the patron match by:

(A) Comparing the patron to image on the computer screen of patron's photo ID; and

(B) Comparing the patron's signature on the withdrawal slip to signature on the computer screen.

(vi) The cashier shall verify the patron's balance before completing the transaction. The cashier shall pay the patron the appropriate amount, issue the patron the original withdrawal slip and return the PIN card to the patron;

(vii) The first copy of the withdrawal slip shall be placed in the cash drawer. All account transactions shall be accurately tracked by the account server computer system. The first copy of the withdrawal slip shall be forwarded to the accounting at the end of the gaming day;

(viii) In the event the imaging function is temporarily disabled, patrons shall be required to provide two forms of positive ID for cash withdrawal transactions at the cashier stations.