NOV 20 2006

Dale A. Miller, Chairman
Elk Valley Rancheria
2332 Howland Hill Road
Crescent City, CA 95531
Fax (707) 464-4519

R. Shawn Ellis, President
Ellis Gaming Elk Valley Management, LLC
900 South Pavilion Center Drive, Suite 170
Las Vegas, NV 89144
Fax (702) 240-1966

Dear Chairman Miller and Mr. Ellis:

I am pleased to inform you that I have approved the First Amended and Restated Management Agreement (the "Contract") dated October 19, 2006 between the Elk Valley Rancheria and Ellis Gaming Elk Valley Management, LLC.

The Indian Gaming Regulatory Act and the regulations of the National Indian Gaming Commission (the "NIGC") require that the NIGC Chairman approve management contracts for gaming operations on Indian lands. Accordingly, you submitted the Contract as required by 25 U.S.C. § 2711 and 25 C.F.R. Part 531.

We have reviewed the Contract and other information submitted and have determined that the standards of 25 C.F.R. Parts 531, 533 and 537 have been met. This letter and my signature on the Contract constitute such approval.

Please note that if we learn of any actions or conditions that violate the standards contained in 25 C.F.R. Parts 531, 533, 535, or 537, we may require modifications of, or may void, the approved Contract, after providing the parties with an opportunity for a hearing and a subsequent appeal to the NIGC as set forth in 25 C.F.R. Part 577.

Should you have any questions concerning this approval, please call us at (202) 632-7003.

Sincerely,

Philip N. Hogen
Chairman

cc: Sean M. McGuinness
Fax only (702) 385-9447

Office of Tribal Attorney
Fax Only (707) 464-4519

Heidi Staudenmaier
Fax only (602) 382-6070

NOV -7 2006

FIRST AMENDED AND RESTATED MANAGEMENT AGREEMENT BETWEEN THE ELK VALLEY RANCHERIA CALIFORNIA, a federally recognized Indian tribe AND ELLIS GAMING ELK VALLEY MANAGEMENT, LLC, a Nevada Limited Liability Company

DATED AS OF OCTOBER 19, 2006

FIRST AMENDED AND RESTATED MANAGEMENT AGREEMENT

THIS FIRST AMENDED AND RESTATED MANAGEMENT AGREEMENT ("Agreement") is made and entered into and operative on this 19th day of October 2006 by and between the Elk Valley Rancheria, California, a federally recognized Indian tribe (hereinafter "Tribe"), located in the State of California, with tribal offices located at 2332 Howland Hill Road, Crescent City, California 95531, and Ellis Gaming Elk Valley Management, LLC, a Nevada limited liability company (hereinafter "Manager"), whose business office is located at 900 South Pavilion Center Drive, Suite 170, Las Vegas, Nevada, 89144. The Manager and the Tribe are hereinafter collectively referred to as the "Parties".

RECITALS

A. The Tribe is a federally recognized Indian tribe eligible for the special programs and services provided by the United States and is recognized as possessing powers of self-government.

B. The United States government holds lands in the State of California in trust for the benefit of the Tribe ("Tribal Lands") over which the Tribe possesses and exercises sovereign governmental powers. The Tribe leases other trust lands in the vicinity of certain of its Tribal Lands, which constitutes "Indian country" and upon which the Tribe operates the Elk Valley Casino.

C. In compliance with the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 U.S.C. § 2701 *et seq.*, as it may from time to time be amended (hereinafter "IGRA"), the Tribal Council of the Tribe has enacted Tribal legislation regulating the operation of Gaming (as hereinafter defined) within the Tribe's reservation (hereinafter referred to as the "Gaming Code") and obtained approval of the Gaming Code by the Chairman of the National Indian Gaming Commission. The Code creates the Gaming Commission and authorizes Class II and Class III gaming within the Tribe's reservation subject to the provisions of the Gaming Code and the Compact (as hereinafter defined).

D. The Tribe currently operates the Elk Valley Casino and is committed to the use of gaming activities to provide employment and improve the social, economic, education, and health needs of its members; to increase the revenues of the Tribe; and to enhance the Tribe's economic self-sufficiency and self-determination.

E. The Tribe desires to retain the services of a manager with knowledge and experience in the gaming industry to better manage and operate the Elk Valley Casino.

F. The Manager has represented to the Tribe that it has the capacity to assist the Tribe to operate the Enterprise. Manager agrees to assist the Tribe with the growth of its existing gaming operation and to provide the management expertise necessary to successfully conduct Tribal gaming operations.

G. The Tribe desires to grant to Manager the exclusive right and obligation to assist the Tribe to develop, equip, manage, operate and maintain the Facility and Enterprise as described in this Agreement, and Manager desires to undertake those responsibilities.

H. This Management Agreement shall be operative and binding on the Parties upon the "Effective Date" as hereinafter defined and shall continue for a term of years from the Effective Date, as hereinafter defined.

I. This Management Agreement is entered into in California pursuant to the laws of the State of California, P.L. 106-179, and the IGRA.

J. All gaming conducted at the Facility will at all times comply with the IGRA, applicable Tribal law and the Compact.

NOW, THEREFORE, in consideration of the hereinafter mutual promises and covenants, and for other good and valuable consideration as set forth herein, the receipt and sufficiency of which are expressly acknowledged, the Tribe and Manager agree as follows:

ARTICLE 1
Definitions

1.1 Definitions. Capitalized terms herein shall have the meanings now set forth.

"Affiliate" means any individual, corporation, partnership, limited liability company, joint venture, trust, department or agency controlled by, under common control with, in privity with, or which controls or participates in directly or indirectly controlling or owning the referenced party.

"Agreement" shall mean this Management Agreement.

"BIA" means the United States Department of Interior, Bureau of Indian Affairs.

"Business Board" means the joint decision making body of the Tribe and Manager as described more fully at Section 2.1 of this Agreement.

"Capital Budget" shall have the meaning described at Section 4.9 of this Agreement.

"Capital Replacements" shall have the meaning described at Section 4.10 of this Agreement

"Class II Gaming" means gaming as defined in 25 U.S.C. § 2703(7)(A) of the IGRA, and as defined by 25 C.F.R. § 502.3 and amendments thereto, but only to the extent such games are authorized by the Gaming Code.

"Class III Gaming" means all gaming that is not Class I or Class II Gaming as defined in the IGRA including, but not limited to, the forms of gaming defined as Class III games by 25 C.F.R. § 502.4 and amendments thereto, but only to the extent such gaming is authorized by the Compact and the Gaming Code.

"Compact" means the Tribal-State Compact between the Tribe and the State of California executed by the Governor of California on September 10, 1999, and by the Tribe on September 10, 1999, and approved by the Secretary of the Interior pursuant to the IGRA on May 16, 2000, as may be amended from time to time, or such other compact that may be substituted therefor upon the mutual consent of the parties hereto, Manager's consent not to be unreasonably withheld, delayed or conditioned.

"Compensation" shall mean the direct salaries and wages paid to, or accrued for the benefit of, any employee, including incentive compensation, together with all fringe benefits payable to or accrued for the benefit of such executive or other employee, including employer's contribution under F.I.C.A., unemployment compensation or other employment taxes, pension fund contributions, workers' compensation, group life, accident and health insurance premiums and costs, and profit sharing, severance, retirement, disability, relocation, housing and other similar benefits.

"Compliance Officer" shall mean those persons employed by the Gaming Commission to monitor the day to day operation of the Facility for compliance with Legal Requirements.

"Constitution" means the Constitution and Bylaws of the Tribe, adopted by the Tribe and approved by the Secretary of the Interior on December 27, 1994, and any amendments thereto which are similarly approved by both the Tribe and the Secretary.

"Effective Date" means the date five days following the date on which all of the following listed conditions are satisfied:

(1) written approval of this Agreement and any documents collateral hereto identified by the NIGC as requiring such approval, is granted by the Chairman of the NIGC;

(2) the Tribe and the NIGC, as appropriate, have approved background investigations of the Manager, and other appropriate subjects in accordance with applicable legal requirements; and

(3) receipt by Manager of all applicable licenses and permits.

The Tribe agrees to cooperate and to use its best efforts to satisfy all of the above conditions at the earliest possible date. Manager agrees to memorialize the Effective Date in writing delivered to the Tribe.

"Elk Valley Casino" means the Tribe's current approximately -slot machine casino located at 2500 Howland Hill Road in Crescent City, California. 64

"Enterprise" means the commercial Gaming business of the Tribe authorized by the IGRA and the Compact and operated and managed by Manager in accordance with the terms and conditions of this Agreement, together with any other lawful commercial activity related to Gaming allowed in the Facility including, but not limited to, Automatic Teller Machines ("ATM"), and the sale of food, beverages, gifts and souvenirs. The Enterprise includes any building, parking facility, or other structure used for or in conjunction with Gaming and related purposes including, but not limited to, on-site retail sales owned by the Tribe (or any instrumentality of the Tribe related to Gaming wherever situated); provided, however, that it shall not include the operation of the Tribe's smoke shop that is located in or near the Casino. The Tribe shall have the sole proprietary interest in and responsibility for the conduct of all Gaming conducted by the Enterprise, subject to the rights and responsibilities of the Manager under this Agreement.

"Enterprise Bank Accounts" means those accounts established at a bank or banks for the deposit and maintenance of funds as the Manager deems appropriate and necessary in the course of business and as consistent with Section 4.17 of this Agreement.

"Enterprise Employee Policies" shall have the meaning given to it in Section 4.6.2 of this Agreement.

"Facility" means the buildings, improvements, and fixtures, now or hereafter located therein or thereon and housed on the Property or adjacent real property owned by the Tribe, or in which the Tribe has an interest, within which the Enterprise will be operated.

"Furnishings, Trade Fixtures and Equipment" shall mean all furniture, furnishings and equipment required for the operation of the Enterprise in accordance with the plans and specifications of the Facility, including, without limitation:

(i) cashier, money sorting and money counting equipment, surveillance and communication equipment, and security equipment;

(ii) slot machines, video games of chance, table games, bingo blowers, bingo tables and related accounting, scanning and tracking computers and equipment, keno equipment and any other Gaming equipment, as permitted by Legal Requirements;

(iii) office furnishings and equipment;

(iv) specialized equipment necessary for the operation of any portion of the Enterprise for accessory purposes, including equipment for kitchens, laundries, cocktail lounges, restaurants, public rooms, commercial and parking spaces, and recreational facilities; and

(v) all other furnishings and equipment hereafter located and installed in or about the Facility which are used in the operation of the Enterprise in accordance with this Agreement.

"Gaming" except when limited by explicit reference to a particular class, means any and all activities defined as gaming, including Class II and Class III gaming, under the IGRA, and subject to Legal Requirements.

"Gaming Code" shall mean the Tribal Gaming Code adopted by the Tribe on September 28, 2005 and approved by the Chairman of the NIGC pursuant to the IGRA, as it may be amended and further approved by the NIGC from time to time.

"Gaming Commission" means the Tribal Gaming Agency created by the Gaming Code.

"Generally Accepted Accounting Principles" or **"GAAP"** means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession.

"Governmental Actions" means any resolution, ordinance, statute, regulation, order or decision of the Tribe or any instrumentality or agency of the Tribe, regardless of how constituted, that has the force of law.

"Gross Gaming Revenue" or **"Win"** shall mean the net win from Gaming activities which is the difference between Gaming wins and losses before deducting costs and expenses, determined in accordance with GAAP consistently applied.

"Gross Revenues" means all revenues of any nature derived directly or indirectly from the Enterprise including, without limitation, Gross Gaming Revenue (Win), interest earned on bank accounts established for the deposit of Gaming receipts, food and beverage sales and other rental or other receipts from lessees, sublessees, licensees and concessionaires (but not the gross receipts of such lessees, sublessees, licensees or concessionaires), parking fees, and revenue recorded for Promotional Allowances (as defined in this Agreement), determined in accordance with GAAP consistently applied.

"House Bank" shall mean the amount of cash, chips, tokens and plaques that Manager from time to time determines necessary to have at the Facility daily to meet its cash needs.

"IGRA" means the Indian Gaming Regulatory Act of 1988, P.L. 100-497, as codified at 25 U.S.C. §§ 2701-2721 *et seq.*, as such may be amended from time to time.

"Key Employee" shall have the same meaning as defined in 25 CFR § 502.14, and as such may hereafter be amended from time to time.

"Legal Requirements" shall mean singularly and collectively all applicable laws and regulations including without limitation the Gaming Code, the IGRA, the Compact, and applicable Tribal, federal and California statutes.

"Management Fee" shall have the meaning described at Article 6 of this Agreement.

"Manager" shall mean Ellis Gaming Elk Valley Management, LLC and not any parent, subsidiary or sister entity.

"Manager's Representative(s)" shall mean the person(s) designated by the Manager to sit on the Business Board.

"Material Breach" shall have the meaning described at Section 11.3 of this Agreement.

"Member of the Tribal Government" means any member of the Tribal Council, the Gaming Agency or any independent board or body created to oversee any aspect of Gaming and any Tribal court official.

"Minimum Balance" shall mean that sum of money agreed to by the Business Board to be maintained in the Enterprise Bank Account(s) to serve as working capital for Facility operations. The Minimum Balance, upon prior concurrence of the Business Board, may be increased by Manager, at any time during the first twelve (12) fiscal months after the Effective Date, to reflect unanticipated working capital needs revealed by the experience of actual Facility operations and again at the time of each annual budget.

"Minimum Guaranteed Monthly Payment" shall mean that minimum payment due the Tribe on a monthly basis each month in accordance with 25 U.S.C. § 2711(b)(3). If the Effective Date is a date other than the first day of a calendar month, the first payment will be prorated from the Effective Date to the end of the month. Should gaming be suspended or terminated during any month, the minimum payment for that month shall be prorated from the first day of the month through the date of suspension or termination of gaming. The Minimum Guaranteed Monthly Payment is payable on the fifteenth (15^{th}) day of each calendar month following the month in which

the Effective Date occurs, which payment shall have priority over the Management Fee and retirement of development and construction costs and shall be paid monthly in the amount of[

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No Minimum Guaranteed Monthly Payment shall be owed for any period of any month during which Gaming is suspended or terminated at the Facility pursuant to Section 4.4, and the obligation shall cease upon termination of this Agreement for any reason.

"National Indian Gaming Commission" or **"NIGC"** means the federal agency established pursuant to the IGRA.

"Net Revenues" shall mean the sum of "Net Revenues (Gaming)" and "Net Revenues (Other)."

"Net Revenues (Gaming)" means Gross Gaming Revenue (Win) from Gaming, less all gaming related Operating Expenses (as defined herein), excluding the Management Fee, determined in accordance with GAAP consistently applied.

"Net Revenues (Other)" means Gross Revenues of the Enterprise from all sources other than Gaming, such as food and beverage, parking, accommodations, entertainment, and retail, less all related Operating Expenses, excluding the Management Fee, and less the retail value of Promotional Allowances to the extent included in Gross Revenues, and less the following revenues actually received by the Enterprise and included in Gross Revenues: (i) any gratuities or service charges added to a customer's bill; (ii) any credits or refunds made to customers, guests or patrons; (iii) any sums and credits received by the Enterprise for lost or damaged merchandise; (iv) any sales, excise, gross receipt, admission, entertainment, tourist or other taxes or charges (or assessments equivalent thereto, or payments made in lieu thereof) which are received from patrons and passed on to a governmental or quasi-governmental entity other than the Tribe; (v) any proceeds from the sale or other disposition of furnishings and equipment or other capital assets; (vi) any fire and extended coverage insurance proceeds other than for business interruption; (vii) any condemnation awards other than for temporary condemnation; (viii) any proceeds of financing or refinancing; all determined in accordance with GAAP consistently applied, and 25 U.S.C. § 2703(9).

"New Net Revenues" shall mean the annual increase in Net Revenues in excess of the amount of annual Net Revenues for the 12 month period ended September 30, 2005. The parties hereby agree that the amount of the Net Revenues for the 12 month period ended September 30, 2005, was[

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"Operating Expenses" shall mean expenses of the operation of the Enterprise, determined in accordance with GAAP, consistently applied, including but not limited to the following:

(1) the payment of Compensation for Tribal Employees working at or for the Facility;

(2) materials and Operating Supplies for the Enterprise;

(3) utilities, including but not limited to electricity, gas, cable and phone;

(4) repairs and maintenance of the Facility (excluding Capital Replacements);

(5) interest on installment contract purchases;

(6) insurance and bonding;

(7) advertising and marketing, including busing and transportation of patrons to the Facility;

(8) the cost of Promotional Allowances;

(9) participating game and royalty costs;

(10) accounting, legal and other professional fees (including in-house legal costs);

(11) security costs;

(12) subject to the budget agreed upon by the Business Board, reasonable travel expenses for the Chairperson of the Tribe, members of the Tribal Council and key employees of the Tribe when such travel is reasonably related to the business of the Enterprise;

(13) furniture, fixtures, and equipment operating lease payments (other than the principal component of capital leases);

(14) trash removal;

(15) costs of goods and services sold;

(16) other expenses designated as Operating Expenses in accordance with GAAP;

(17) expenses specifically designated as Operating Expenses in this Agreement;

(18) depreciation of the Facility, based on an assumed thirty (30) year useful life of the Facility, and depreciation and amortization of all other assets in accordance with GAAP;

(19) recruiting and training expenses;

(20) fees due to the NIGC under the IGRA;

(21) any required payments to the State or local governments made by or on behalf of the Enterprise or Tribe pursuant to the Compact, memorandum of understanding, consent decree, or other similar agreement;

(22) any budgeted charitable contributions by the Enterprise; and

(23) cost of licensing the employees of Enterprise.

"Operating Supplies" shall mean food and beverages (alcoholic and nonalcoholic) and other consumable items used in the operation of a Gaming Facility, such as playing cards, tokens, chips, pull-tabs, bingo paper, plaques, fuel, soap, cleaning materials, matches, paper goods, stationery and all other similar items.

"Parties in Interest" shall mean any person or entity with a financial interest in, or having management responsibility for this Agreement or for which background investigations are required by 25 C.F.R. Part 537, and any amendments thereto.

"Promotional Allowances" shall mean the retail value of promotional transportation, and the value of any complimentary hotel accommodations, food, beverage, merchandise, chips, tokens, shows or services provided to patrons pursuant to GAAP, consistently applied.

"Property" means the real property held in trust for the benefit of Betty Green more fully described in Exhibit 1 hereto.

"Qualified" means a Member of the Tribe, a Member's spouse or children, or a business entity certified by the Tribe to be controlled by Members of the Tribe or by Affiliates of the Tribe, who or which is able to provide services at competitive prices, has demonstrated skills and abilities to perform the tasks to be undertaken in an acceptable manner, in the Manager's opinion, and can meet the reasonable bonding requirements of the Manager.

"Relative" means an individual residing in the same household who is related as a spouse, father, mother, son or daughter.

"Secretary" means the Secretary of the Interior of the United States, or the appropriately designated representative or agent thereof.

"State" means the State of California.

"Tribal Council" means the Tribe's Tribal Council that is the governing body of the Tribe pursuant to the Tribe's Constitution.

"Tribal Representative(s)" shall mean the person(s) designated in writing by the Tribe to sit on the Business Board. Manager may rely on written notice of appointment of the Tribal Representative(s) until Manager receives written notice of revocation or appointment of a successor.

"Tribe" means the Elk Valley Rancheria, California, a federally recognized Indian tribe, and all subsidiary Commissions, Boards, agencies and bodies created thereby.

1.2. Independent Agreement. The objective of the Tribe and Manager in entering into and performing this Agreement is to provide a legally enforceable agreement pursuant to which the Tribe will make certain commitments to the Manager and Manager will manage the Enterprise after the approval of the Management Agreement by the NIGC. Upon approval by the Chairman of the NIGC, this Agreement is intended to be legally enforceable and effective.

1.3. Application of IGRA. This Management Agreement ("Agreement") is entered into pursuant to the IGRA.

ARTICLE 2
Decision Making

2.1. Business Board. The Tribe and Manager shall exercise joint decision making power through the Business Board. The Business Board shall have the obligations, rights and powers described in this Agreement.

2.2. Composition of Business Board. The Business Board shall consist of six (6) persons: three Tribal Representatives and three Manager's Representatives. Tribal Members of the Business Board (or alternates) shall be designated in writing to the Manager by the Tribal Chairman. Manager's Representatives to the Business Board (or alternates) shall be designated in writing to the Tribe by that person designated by the Manager.

2.3. Operation of Business Board. The decisions of the Business Board shall be by majority vote of all of the members of Business Board (agreement by at least four of the six members), provided that at least three Tribal Representatives shall vote on all matters before the Business Board. A quorum shall be at least four of the six members and shall be comprised of at least two representatives of both the Manager and the

Tribe. The Business Board shall remain active during the entire term of this Agreement.

The Parties agree that, to facilitate oversight of the activities conducted pursuant to this Agreement and to maintain communication generally between the individuals who will be involved in supervising those activities, the Business Board will meet at least monthly or more often as deemed appropriate upon at least seven days prior notice; and, on agreement of a majority of the six representatives after notice to all, may convene by teleconference. Business Board meetings shall be open to members of the Tribal Council and the Business Board shall prepare minutes of each meeting that will be made available to the Tribal Council and may be made available by the Tribal Council to members of the Tribe as the Tribal Council deems appropriate.

ARTICLE 3
Covenants

In consideration of the mutual covenants contained in this Agreement, the Parties agree and covenant as follows:

3.1. Engagement of Manager. The Tribe hereby retains and engages Manager as an independent contractor for the term of this Agreement for the purposes of managing the Enterprise, increasing net revenues, and training Tribal Members and others in the management of the Enterprise. Nothing in this Agreement grants or transfers or is intended to grant or transfer, or in any other manner, convey to Manager an ownership interest in the Facility or the Enterprise. The Tribe shall have the sole proprietary interest in and ultimate responsibility for all Gaming conducted at the Facility, subject to the rights and responsibilities of Manager under this Agreement. The Manager shall have all of the rights and responsibilities set forth in this Agreement, subject to the Tribe's sole proprietary interest in and ultimate responsibility for all Gaming conducted at the Facility. The Manager hereby accepts such retention and engagement.

3.2. Term. This Agreement shall become binding upon the Parties on the Effective Date and continue thereafter for a period of [ ] years from and after the Effective Date (subject to any termination provisions of this Agreement); provided, however, that this Agreement may be terminated: 64

1) upon mutual agreement of the Parties;

2) by the Tribe, unilaterally, upon the opening of a new Tribal gaming facility; or

3) for any reason listed in Article 11 of this Agreement.

3.3. Exclusivity of Operations; Right of First Refusal. Except as otherwise mutually agreed, the Manager and the Tribe agree that during the term of this Agreement neither of them will establish, manage, have an interest in, provide financing

or services to, or operate any other Indian Gaming facility within [redacted] without the Tribe's prior written consent, such consent to be in the sole and absolute discretion of the Tribe. The Tribe agrees that only Parties in Interest owning an interest of five percent (5%) or more of Manager shall be subject to such obligation or constraint. Tribe hereby grants to Manager a right of first refusal to enter into a management contract for any other gaming operation to be developed by the Tribe within [redacted] Any such management contract shall be separate and distinct from this Agreement and shall be subject to review and approval by the NIGC. In the event that, following a determination by the Tribe indicating its intention to develop or undertake development of additional gaming operations within [redacted] the Tribe receives a bona fide offer from a potential manager for such [redacted] Project that the Tribe wishes to accept, then prior to the Tribe's acceptance of such offer, the Tribe shall first give Manager written notice thereof with a copy of the terms of such proposed management agreement attached. Manager shall have thirty (30) calendar days after the date notice is received by Manager (the "Election Period") in which to elect to undertake the management of such [redacted] Project on the terms contained in the offer. Manager's election shall be exercised by giving written notice to Tribe prior to 5:00 p.m. California time on the last day of the Election Period, and upon exercising such right, Manager and Tribe shall diligently work to enter into such documentation as required in connection with the management of the [redacted] Project. Any such management contract shall be separate and distinct from this Agreement and shall be subject to review and approval by the NIGC.

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3.4. Compliance With Law; Licenses. The Manager covenants that it will at all times comply with, and all Gaming will be conducted in conformity with, all Legal Requirements, including the Gaming Code, the IGRA, NIGC Rules, the Compact, applicable California statutes and any licenses issued under any of the foregoing. The Manager, Manager's executive officers and all other persons required by applicable law shall be licensed to operate the Enterprise pursuant to the Gaming Code. The Tribe shall not unreasonably withhold, delay, withdraw, qualify or condition such licenses. The Tribe covenants that it will comply with, and all Gaming will be conducted in conformity with, all Legal Requirements including the Gaming Code, the IGRA, NIGC Rules, the Compact, applicable California statutes and any licenses issued under any of the foregoing.

3.5. Approval of Gaming Code and Amendments. The Gaming Code was approved by the NIGC Chairman pursuant to the IGRA. The Tribe covenants that any amendments subsequently made to the Gaming Code will be a legitimate good faith effort to ensure that gaming is conducted in a manner that adequately protects the environment, the public health and safety, and the integrity of the Enterprise. The Tribe further covenants that any amendments to the Gaming Code will comply with the foregoing standard. The Tribe will not adopt any amendments to the Gaming Code or any other legislation or resolutions that would adversely affect the Manager's rights under this Agreement.

3.6. Management Fee. The Tribe agrees to pay the Manager a Management Fee in accordance with Article 6 herein.

3.7. Fire and Safety. The Facility shall be maintained in compliance with all fire and safety statutes, ordinances, and regulations which would be applicable if the Facility were located outside of the jurisdiction of the Tribe although those requirements would not otherwise apply within that jurisdiction. Nothing in this Section shall grant any jurisdiction to the State of California or any political subdivision thereof over the Property or the Facility. Fire protection, police and emergency medical services for the Facility will be provided pursuant to service agreements negotiated by the Tribe with nearby jurisdictions in a form and substance satisfactory to Manager and insurance underwriters responsible for approving insurance coverage for the Enterprise. All such expenses shall be treated as Operating Expenses of the Enterprise.

3.8. Compliance with the National Environmental Policy Act. The Tribe shall supply the NIGC with all information necessary for the NIGC to comply with any regulations of the NIGC issued pursuant to the National Environmental Policy Act (the "NEPA"); provided, however, that Manager shall bear all cost and expense related to compliance with NEPA to the extent such costs and expenses do not exceed [redacted] Any costs and expenses related to NEPA compliance in excess of [redacted] shall be an Operating Expense of the Enterprise. 64

ARTICLE 4
Business and Affairs in Connection with Enterprise

4.1. Manager's Authority and Responsibility. All business and affairs in connection with the day-to-day operation, management and maintenance of the Enterprise and the Facility, including the establishment of operating days and hours, shall be the responsibility of the Manager. The Manager is hereby granted the necessary power and authority to act as necessary in order to fulfill its responsibilities under this Agreement.

4.2. Duties of the Manager. In managing, operating, maintaining and repairing the Enterprise and the Facility under this Agreement, the Manager's duties shall include, without limitation, the following:

4.2.1. Management. The Manager shall use reasonable measures for the orderly administration, management, and operation of the Enterprise and the Facility, including without limitation cleaning, painting, decorating, plumbing, carpeting, grounds care and such other maintenance and repair work as is reasonably necessary.

4.2.2. Compliance. The Manager shall comply with all duly enacted statutes, regulations and legislation of the Tribe. The Tribe shall take no action and adopt no statute or legislation that prejudices or adversely affects or imposes additional costs or burdens on the Manager's rights or duties under this

Agreement or that violates the Indian Civil Rights Act (25 U.S.C. §§ 1301-1303). Manager shall receive written notice at least thirty (30) days prior to any changes in the Tribe's land use or zoning regulations or legislation during the term of this Agreement; the Manager and the Tribe shall then jointly determine whether the Property shall be exempt from such changes.

4.2.3. Required Filings. The Manager shall comply with all applicable provisions of the Internal Revenue Code including, but not limited to, the prompt filing of any cash transaction reports and W-2G reports that may be required by the Internal Revenue Service of the United States or under the Compact.

4.2.4. Contracts in Tribe's Name and at Arm's Length. Contracts for the supply of goods and services to the Enterprise shall be entered into in the name of the Tribe and signed by the Manager or his or her designee, upon prior concurrence of the Tribe's general counsel. Any contract requiring expenditure in any year in excess of [ ] shall be approved by the Business Board prior to execution and delivery of any such contract. All other contracts may be negotiated by the Manager without recommendation or approval, except as provided otherwise herein; provided, however, that Manager shall not have any authority to and shall not waive the Tribe's sovereign immunity. No contracts for the supply of goods or services to the Enterprise shall be entered into: (i) in contravention of this Section 4.2.4, or (ii) with parties affiliated with the Manager or its officers or directors unless the affiliation is disclosed to and approved by the Business Board. Notwithstanding anything to the contrary contained herein, contracts for the supply of any goods or services paid for entirely by the Manager may be provided by parties affiliated with the Manager or its officers or directors. Payments on such contracts shall not constitute Operating Expenses and shall be the sole responsibility of the Manager. Contracts shall not be divided or staggered for the purpose of circumventing the approval required in this section.

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4.3. Security. (a) The Manager shall provide for appropriate security for the operation of the Enterprise. All aspects of the Facility security shall be the responsibility of the Manager. The cost of any charge for security and increased public safety services will be an Operating Expense of the Enterprise. (b) In addition to the surveillance activities conducted in accordance with Section 4.3(a) above, at Manager's sole cost and expense, Manager shall have the authority and ability to

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4.4. Damage, Condemnation or Impossibility of the Enterprise. If, during the term of this Agreement, the Facility is damaged or destroyed by fire, war, or other casualty, or by an Act of God, or is taken in whole or in part by condemnation or sold under the threat of condemnation, or if Gaming on the Property is prohibited as a result of a decision of a court of competent jurisdiction or by operation of any applicable legislation, the Manager shall have the following options:

4.4.1. Recommencement of Operations. In the event of damage, condemnation or other events contemplated in Section 4.4 of this Agreement, the Manager, upon agreement of the Tribe, shall have the option to continue its interest in this Agreement and to commence or recommence the operation of Gaming at the Facility if, at some point during the term of this Agreement, such commencement or recommencement shall be legally and commercially feasible as mutually determined by the Tribe and the Manager.

4.4.2. Repair or Replacement. If the Facility is damaged, destroyed or condemned so that Gaming can no longer be conducted at the Facility, the insurance or condemnation proceeds shall, upon the Parties' mutual agreement, be utilized to restore or replace the Facility and to reopen the Enterprise, and the Parties may within sixty (60) days after the casualty, choose to reconstruct the Facility to a condition at least comparable to that before the casualty occurred. If the Parties elect to reconstruct the Facility and if the insurance proceeds or condemnation awards are insufficient to reconstruct the Facility to such condition, the Manager may, in its sole discretion and subject to applicable Legal Requirements, including amendment of this Agreement, supply such additional funds as are necessary to reconstruct the Facility to such condition and such funds shall, with the prior consent of the Tribe and the BIA or NIGC, as appropriate, constitute a loan to the Tribe, secured by the revenues from the Enterprise and repayable upon such terms as may be agreed upon by the Tribe and the Manager. If the insurance proceeds are not used to repair the Facility, the Tribe shall have the sole right to adjust and settle any and all claims for such insurance proceeds or condemnation awards, and such proceeds or award shall be applied first, to the amounts due under any loan related to the operation of the Enterprise (including principal and interest); second, any other loans relating to the Enterprise; third, any undistributed Net Revenues pursuant to Article 6 of this Agreement, and fourth, any surplus shall be distributed to the Tribe and/or to the Manager as their interests may appear.

4.4.3. Other Business Purposes. The Manager shall have the option to use the Facility for other purposes customarily included in the Enterprise and reasonably incidental to Gaming, provided the Business Board has approved such purposes (which approval shall not be unreasonably withheld or delayed). For any such purpose, the Manager and the Business Board shall obtain all approvals necessary under applicable law.

4.4.4. Termination of Gaming. The Manager shall have the option at any time following the cessation of Gaming on the Property to notify the Tribe in writing that it is terminating operations under this Agreement, in which case the Manager shall retain any rights to undistributed Net Revenues pursuant to Article 6 of this Agreement and the right to repayment of any loans outstanding. If Manager does not elect to terminate this Agreement, it may take whatever action may be necessary to reduce expenses during such termination of Gaming.

4.4.5. Tolling of the Agreement. If, after a period of cessation of Gaming on the Property, the recommencement of Gaming is possible, and if the Manager has not terminated this Agreement under the provisions of Section 4.4.4., the period of such cessation shall not be deemed to have been part of the term of this Agreement and the date of expiration of the term of this Agreement shall be extended by the number of days of such cessation period.

4.5. Alcoholic Beverages and Tobacco Sales. During the term of this Agreement alcoholic beverages may be served at the Facility if permissible in accordance with applicable law.

Tobacco may be sold at the Facility subject to and in accordance with the Tribe's licensing requirements; provided, however, that Manager shall not be responsible for or receive any revenue from such tobacco sales.

4.6. Employees.

4.6.1. Manager's Responsibility. Manager shall have and be responsible for, subject to the terms of this Agreement, the exclusive responsibility and authority to direct the selection, control, promotion, training and discharge of all employees performing regular services for the Enterprise in connection with the maintenance, operation, and management of the Enterprise and the Facility and any activity upon the Property consistent with the goal to maximize revenues generated by the Enterprise; and the sole responsibility for determining whether a prospective employee is qualified and the appropriate level of compensation to be paid.

4.6.2. Enterprise Employee Policies; Training. The Manager shall prepare a draft manual of personnel policies and procedures (the "Enterprise Employee Policies"), including a job classification system with salary levels and scales, and grievance procedure, which policies and procedures shall be approved by the Tribal Council. The Enterprise Employee Policies shall include a grievance procedure in order to establish fair and uniform standards for the employees of the Tribe engaged in the Enterprise. Disputes regarding any terms of employment with respect to any employee of the Enterprise and the Manager shall first be resolved through appropriate personnel policies. Any dispute that cannot be resolved through appropriate personnel policies shall be submitted to an employee review board for resolution in accordance with applicable Tribal law.

Any revisions to the Enterprise Employee Policies shall not be effective unless they are approved in the same manner as was the original Enterprise Employee Policies. No later than 90 days prior to the Effective Date, Manager shall prepare and present to the Business Board for review and approval a training manual that establishes criteria for and methods of training employees. All such actions shall comply with applicable Tribal law.

4.6.3. Manager's Employees. It is anticipated that Manager will initially employ persons holding the following job titles at the Facility: General Manager. The salaries and benefits of any of Manager's employees working full-time at the Gaming Facility shall be paid for by Manager and not treated as an Operating Expense of the Enterprise.

4.6.4. Tribe's Employees. All employees of the Enterprise (with the exception of the General Manager) will be employees of the Tribe. Manager shall coordinate and assist Tribe to identify, recruit and hire qualified persons to hold the following job titles: CFO, Director of Gaming Operations, Director of Marketing, and Director of Human Resources, as requested by the Tribe.

4.6.5. No Manager Wages or Salaries. Except as otherwise provided with respect to Manager's employees described in Article 4.6.3 and as provided in Section 4.7, neither the Manager nor any of its officers, directors or shareholders shall be compensated by wages from or contract payments by the Enterprise for their efforts or for any work which they perform under this Agreement, other than loan repayments and the Management Fee to be paid to Manager under Section 6.4. Nothing in this subsection shall restrict the ability of an employee of the Enterprise to purchase or hold stock in the Manager where:

(1) such stock is publicly held; and

(2) such employee acquires, on a cumulative basis, less than five percent (5%) of the outstanding stock in the corporation.

4.6.6. Compliance Officer(s). The Tribe shall select, employ and pay the Compliance Officer(s), if any. The Compliance Officer(s) shall have the full access to inspect all aspects of the Enterprise, including the daily operations of the Enterprise, and to verify daily Gross Revenues and all income of the Enterprise, at any time without notice. The Tribe shall identify the Compliance Officer(s) to the Manager, and the Gaming Code shall require the Compliance Officer(s) to be licensed and subject to background investigation prior to employment. The scope and criteria for such licensing shall be at least as stringent as that required for the General Manager, Chief Financial Officer or Director of Security. The Manager or a person designated by the Manager may accompany any Compliance Officer upon any inspection. The Compliance Officer(s) shall report directly to the Gaming Commission.

4.6.7. Employee Background Checks. A background investigation shall be conducted by the Gaming Commission in compliance with the IGRA, 25 C.F.R. § 537 and all other Legal Requirements, to the extent applicable, on each applicant for employment as soon as reasonably practicable. No individual whose prior activities, criminal record, if any, or reputation, habits and associations are known to pose a threat to the public interest, the effective regulation of Gaming, or to the gaming licenses of the Manager, or to create or enhance the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of Gaming, shall be employed by the Manager or the Tribe. The background investigation procedures employed by the Gaming Commission shall satisfy all regulatory requirements independently applicable to the Manager and all Parties in Interest. Any cost associated with obtaining such background investigations shall constitute an Operating Expense, *provided*, however, the costs of background investigations relating to shareholders, officers, directors or employees of the Manager or of the Tribal Council shall not constitute an Operating Expense but an expense solely of each respective party.

4.6.8. Indian Preference and Wages. In order to maximize benefits of the Enterprise to the Tribe, the Manager shall, during the term of this Agreement, to the extent permitted by applicable law, give preference in recruiting, training and employment to qualified members of the Tribe and their spouses and children in all job categories of the Enterprise, including management positions. Thereafter, to the extent permitted by applicable law, preference shall be given to enrolled members of other federally recognized tribes and to non-Indian residents of Del Norte County, California. The Manager shall provide training programs for Tribal members and their spouses and children. Such training programs shall be available to assist Tribal members in obtaining necessary skills and qualifications relating to all job categories. Final determination of the qualifications of Tribal members and all other persons for employment shall be made by Manager with the approval of the Gaming Commission.

4.6.9. Removal of Employees. The Manager will act in accordance with the Enterprise Employee Policies with respect to the discharge, demotion or discipline of any Enterprise employee. The Tribe shall have the right to remove the Compliance Officer(s), subject to any contractual rights of such persons. Before any such removal of any Key Employee or Compliance Officer, the Manager or the Tribe, as the case may be, shall notify the other party.

4.7. Marketing and Advertising. Manager shall have responsibility to advertise and promote the Enterprise and may do so in coordination with the sales and marketing programs of Manager and other gaming establishments managed by Manager or its affiliates, the budget for which shall be included in the annual budget approved by the Business Board as described in Section 4.8. Manager, in marketing and advertising the Facility, shall, pursuant to Section 4.6.5, have the right to use marketing and advertising services of employees of Manager not located at the Facility but such costs shall be the sole responsibility of Manager. Manager shall be entitled to

advertise and promote other gaming establishments from time to time managed or owned by Manager or Affiliates of Ellis Gaming LLC at the Facility, provided that the cost of such advertising and promotional activities shall be the sole responsibility of Manager.

4.8. Operating Budgets. Manager shall, prior to the scheduled Effective Date, submit to the Business Board, for its review and approval, a proposed operating budget for the remainder of the current fiscal year ("Operating Budget"). Thereafter, Manager shall, not less than sixty (60) days prior to the commencement of each full or partial fiscal year, submit to the Business Board, for its review and approval, a proposed Operating Budget for the ensuing full or partial fiscal year, as the case may be.

4.8.1. Review and Approval of Operating Budgets. The Business Board's approval of the Operating Budget shall not be unreasonably withheld or delayed. Manager shall meet with the Business Board to discuss the proposed Operating Budget and the Business Board's approval shall be deemed given unless a specific written objection thereto is delivered by either Tribal Representative to Manager within thirty (30) days after Manager and the Business Board have met to discuss the proposed Operating Budget. The Business Board shall review the Operating Budget on a line-by-line basis. To be effective, any notice which disapproves a proposed Operating Budget must contain specific objections in reasonable detail to individual line items.

4.8.2. Revision of Disputed Items in Operating Budgets. If the initial proposed Operating Budget contains disputed budget item(s), the Business Board and Manager agree to cooperate with each other in good faith to resolve the disputed or objectionable proposed item(s). If the Business Board and Manager are unable to resolve the disputed or objectionable item(s) prior to the commencement of the applicable fiscal year, the undisputed portions of the proposed Operating Budget shall be deemed to be adopted and approved and the corresponding line item(s) contained in the Operating Budget for the preceding fiscal year shall be adjusted as set forth herein and shall be substituted in lieu of the disputed item(s) in the proposed Operating Budget. Those line items which are in dispute shall be determined by increasing the preceding fiscal year's actual expense for the corresponding line items by an amount determined by Manager which does not exceed the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, all items (1982-1984=100) for the fiscal year prior to the fiscal year with respect to which the adjustment to the line item(s) is being calculated or any successor or replacement index thereto. The resulting Operating Budget obtained in accordance with the preceding sentence shall be deemed to be the Operating Budget in effect until such time as Manager and the Business Board have resolved the item(s) objected to by the Business Board.

4.8.3. Reallocation of Items in Operating Budgets. Manager may, after notice to and approval by the Business Board, revise the Operating Budget from time to time, as necessary, to reflect any unpredicted significant changes, variables or events or to include significant, additional, unanticipated items of expense. Manager may, after notice to and approval by the Business Board, reallocate part or all of the amount budgeted with respect to any line item to another line item and make such other modifications to the Operating Budget as Manager deems necessary. The Tribe acknowledges that the Operating Budget is intended only to be a reasonable estimate of the Enterprise revenue and expenses for the ensuing fiscal year. Manager shall not be deemed to have made any guarantee, warranty or representation whatsoever in connection with the Operating Budget.

4.9. Capital Budgets. Manager shall, not less than forty-five (45) days prior to the commencement of each fiscal year, submit to the Tribal Council a recommended "Capital Budget" for the ensuing full or partial fiscal year, as the case may be, for furnishings, equipment, and ordinary capital replacement items ("Capital Replacements") as shall be required to operate the Gaming Enterprise in accordance with sound business practices. The Tribal Council and Manager shall meet to discuss the proposed Capital Budget and the Tribal Council shall be required to make specific written objections to a proposed Capital Budget in the same manner and within the same time periods specified in Section 4.8 with respect to an Operating Budget. The Tribal Council shall not unreasonably withhold or delay its consent. Unless the Tribal Council and Manager otherwise agree, Manager shall be responsible for the design and installation of Capital Replacements, subject to the Tribal Council's approval and right to inspect.

4.10. Capital Replacements. The Tribe shall effect and expend such amounts for any Capital Replacements as shall be required, in the course of the operation of the Gaming Enterprise, to maintain the Gaming Enterprise in compliance with any Legal Requirements and to comply with the Business Board's recommended programs for renovation, modernization and improvement intended to keep the Gaming Enterprise competitive in its market, maintain first class standards for the Enterprise, or to correct any condition of an emergency nature, including without limitation, maintenance, replacements or repairs which are required to be effected by the Tribe, which require immediate action to preserve and protect the Gaming Facility, assure its continued operation, and/or protect the comfort, health, safety and/or welfare of the Gaming Facility's guests or employees. Manager is authorized, upon consultation with the Tribal Council, to take all steps and to make all expenditures from the Disbursement Account, described at Section 4.17.3, or Reserve Fund, described at Section 4.11 (in the case of expenditures for Capital Replacements), as it deems necessary to repair and correct any such condition, regardless whether such provisions have been made in the Budget for any such expenditures, and the cost thereof may be advanced by Manager and reimbursed from future revenues. Design and installation of Capital Replacements shall be effected in a time period and subject to such conditions as the Business Board may establish to minimize interference with or disruption of ongoing operations.

4.11. Replacement Reserve Fund. Manager shall establish an account (the "Replacement Reserve Fund" or the "Reserve Fund") on the books of account of the Gaming Enterprise, and the contributions by or on behalf of the Tribe as required by Section 4.12 shall be placed into an account established in the Tribe's name at a bank designated by the Business Board. Interest on the Reserve Fund shall inure solely to the benefit of the Tribe. Deposits to the Reserve Fund shall be made solely by the Tribe as a capital reserve and shall not reduce Net Revenues. The contributions of the Tribe to the Reserve Fund shall not be deemed to be Operating Expenses. Deposits shall be made pursuant to Section 4.12 and subject to the priorities described at Section 6.4 of this Agreement. All amounts in the Reserve Fund shall be invested in interest bearing investments to the extent that availability of funds, when required, is not thereby impaired.

4.12. Periodic Contributions to Reserve Fund. There shall be paid into the Reserve Fund each Fiscal Month an amount equal to one twelfth (1/12) of the amount required as provided by a schedule determined by the Business Board. The cash amounts required to be so deposited shall be calculated and deposited into the Reserve Fund, in arrears, no later than the twenty-first (21st) day of the Fiscal Month immediately following the Fiscal Month with respect to which an accrual is made. In addition, all proceeds from the sale of capital items no longer needed for the operation of the Gaming Enterprise, and the proceeds of any insurance received in reimbursement for any items previously paid for from the Reserve Fund, shall be deposited into the Reserve Fund upon receipt.

4.13. Use and Allocation of Reserve Fund. Any expenditures which have been approved by the Tribe in a Budget may be paid from the Reserve Fund without further additional approval from the Tribe. Any amounts remaining in the Reserve Fund at the close of any Fiscal Year shall be carried forward and retained in the Reserve Fund until fully used, provided that if amounts in the Reserve Fund at the end of any Fiscal Year plus the anticipated contributions to the Reserve Fund for the next ensuing Fiscal Year are not sufficient to pay for replacements authorized by the Annual Plan for such ensuing Fiscal Year, then the Annual Plan will be amended accordingly. If amounts in the Reserve Fund at the end of any Fiscal Year or any quarter during any Fiscal Year exceed the estimated amount required to pay for replacements authorized by the Annual Plan for such ensuing Fiscal Year, any such excess amount shall be paid to the Tribe. Such payments from the Reserve Fund shall not diminish the amounts otherwise due and payable to the Tribe as provided by Section 6.4.

4.14. Contracting. In entering into contracts for the supply of goods and services for the Enterprise, the Manager shall give preference to Qualified members of the Tribe, their spouses and children, and qualified business entities certified by the Tribe to be controlled by members of the Tribe or by affiliates or subsidiaries of the Tribe. The Manager shall provide written notice to the Tribe in advance of all such contracting, subcontracting and construction opportunities.

4.15. Litigation. If the Tribe, the Manager, the Business Board or any employee of the Manager at the Facility or of the Enterprise is sued by any person or is alleged to have engaged in unlawful or discriminatory acts in connection with the operation of the Enterprise, the Tribe or the Manager, as appropriate, shall defend such action. Any cost of such litigation shall constitute an Operating Expense. Nothing in this Section shall be construed to waive or limit the Tribe's sovereign immunity.

4.16. Internal Control Systems. In full cooperation with the Tribal Gaming Commission, the Manager shall install or implement internal control systems ("ICS") for monitoring of all funds and operations of the Enterprise consistent with the Minimum Internal Control Standards of the NIGC ("MICS") which systems shall be submitted to the Business Board for approval in advance of implementation, which approval shall not be unreasonably withheld. The Tribe and the Gaming Commission shall retain the right to review the ICS and any changes instituted to the ICS of the Enterprise. The Tribe may retain an auditor to review the adequacy of the ICS. The auditor so retained shall provide a written report to the Tribe and to the Manager regarding the adequacy of the ICS. The cost of such review shall constitute an Operating Expense. The Tribe and the Manager shall have the right and duty to maintain and police its ICS in order to prevent any loss of proceeds from the Enterprise. The Tribe shall have the right to inspect and oversee the ICS at all times. The Manager acknowledges that the Tribe has installed and will maintain a closed circuit television system to be used for monitoring the cash handling activities of the Enterprise. The Compliance Officer shall have full immediate access to the closed circuit television system of the Enterprise.

4.17. Banking and Bank Accounts.

4.17.1. Bank Accounts. The Business Board shall select a bank or banks for the deposit and maintenance of funds and shall establish such bank accounts as the Manager deems appropriate and necessary in the course of business and as consistent with this Agreement.

4.17.2. Deposits to Depository Account. The Manager shall establish for the benefit of the Tribe in the Tribe's name a Depository Account. The Manager shall collect all gross revenues and other proceeds connected with or arising from the operation of the Enterprise, the sale of all products, tobacco, alcohol, food and beverages and all other activities of the Enterprise and deposit the related cash into the Depository Account as frequently as possible. All money received by the Enterprise on each day that it is open must be counted at the close of operations for that day or at least once during each 24-hour period. The Parties hereto agree to obtain a bonded transportation service to effect the safe transportation of the receipts to the bank, if such service is available at a reasonable cost, which expense shall constitute an Operating Expense.

4.17.3. Disbursement Account. The Manager shall establish for the benefit of the Tribe in the Tribe's name a Disbursement Account. The Manager shall, consistent with and pursuant to the approved annual budget,

have responsibility and authority for making all payments for Operating Expenses, management fees, and disbursements to the Tribe from the Disbursement Account; provided that all disbursements in excess of [redacted] shall be made by checks bearing two signatures, one by an authorized representative of the Tribe, and one by an authorized representative of Manager. For this purpose, the Tribe and Manager shall each appoint at least one authorized signing representative.

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4.17.4. **No Cash Disbursements**. The Manager shall not make any cash disbursements from the bank accounts. Any and all payments or disbursements for prizes not made from the cashier's cage or floor by the Manager shall be made by check drawn against a bank account signed in the manner provided in Subsection 4.17.3.

4.17.5. **[INTENTIONALLY OMITTED]**.

4.17.6. **Transfers Between Accounts**. The Manager has the authority to transfer funds from the Depository Account to the Disbursement Account in order to pay Operating Expenses and to pay debt service and the fees payable to Manager pursuant to this Agreement.

4.18. **Insurance**. The Manager, on behalf of the Tribe, shall maintain, or cause its agents to maintain, with responsible insurance carriers licensed to do business in the State of California, insurance satisfactory to the Tribe covering the Facility and the operations of the Enterprise, naming the Tribe, the Manager, as insured parties, as follows.

4.18.1. Commercial general liability insurance in an amount not less than Five Million Dollars ($5,000,000.00) per occurrence and Twenty Five Million Dollars ($25,000,000.00) in the aggregate annually for all activities on, about or in connection with the Facility. The commercial general liability insurance shall include premises liability, contractor's protective liability on the operations of all subcontractors, completed operations and blanket contractual liability. The automobile liability insurance shall cover owned, non-owned and hired vehicles.

4.18.2. "All risk" insurance on the Facility against loss by fire, lightning, earthquake, extended coverage perils, collapse, water damage, vandalism, malicious mischief and all other risks and contingencies, subject only to such exceptions as the Business Board may approve in an amount equal to the actual replacement costs thereof, without deduction for physical depreciation, with coverage for demolition and increased costs of construction, and providing coverage in an "agreed amount" or without provision for co-insurance.

4.18.3. Worker's Compensation and Employer's Liability Insurance subject to the statutory limits of the State of California in respect of any work or other operations on, about or in connection with the Facility.

4.18.4. Such other insurance with respect to the Facility and in such amounts as the Business Board from time to time may reasonably request against such other insurable hazards which at the time are commonly insured against in respect of property similar to the Facility.

4.18.5. The insurance required under Subsection 4.18.1 shall name the Manager as an additional insured. All insurance required hereunder shall contain a provision requiring at least sixty (60) days prior written notice to the Manager and the Tribe before any cancellation, material changes or reduction shall be effective. Any deductibles must be approved by Manager. The Manager may effect any insurance coverage required by this Agreement under blanket insurance policies, provided that the Tribe shall be furnished evidence satisfactory that the protection afforded the Tribe and the Manager, under such blanket insurance policy, is not less than that which would have been afforded under separate policies relating only to the Facility.

4.19. Accounting and Books of Account.

4.19.1. Statements. The Manager shall prepare and provide to the Tribe on a monthly, quarterly, and annual basis, financial statements and reports which after the first full year of operation will include comparative statements of all revenues, and all other amounts collected and received, and all deductions and disbursements made therefrom in connection with the Enterprise. A nationally recognized independent certified public accounting firm with gaming experience employed by and responsible to the Tribe shall perform an annual audit of the books and records of the Enterprise and of all contracts for supplies, services or concessions reflecting Operating Expenses. The Tribe, the BIA and the NIGC shall also have the right to perform special audits of the Enterprise on any aspect of the Enterprise at any time without restriction. The costs incurred for such audits shall constitute an Operating Expense. Such audits shall be provided by the Tribe to all applicable federal and state agencies, as required by law, and may be used by the Manager for reporting purposes under federal and state securities laws, if required.

4.19.2. Books of Account. The Manager shall maintain full and accurate books of account at an office in the Facility and subject to the Tribe's prior approval, at such other location as may be determined by the Manager. The Tribe and the Tribe Inspector shall have immediate access to the daily operations of the Enterprise including the unlimited right to inspect, examine, and copy all such books and supporting business records. Such rights may be exercised through an agent, employee, attorney, or independent accountant

employed by and responsible to the Tribe. Nothing contained herein is intended to restrict Manager's right to utilize centralized accounting for the Enterprise.

4.19.3. Accounting Standards. Manager shall maintain the books and records reflecting the operations of the Enterprise in conformity with GAAP, consistently applied, and shall adopt and follow the fiscal accounting periods utilized by the Tribe in its normal course of business (i.e., a fiscal month, fiscal quarter and fiscal year). The Facility level generated accounting records reflecting detailed day-to-day transactions of the Facility's operations shall be kept by Manager at the Facility. The accounting systems and procedures shall, at a minimum:

(1) include an adequate system of internal accounting controls;

(2) permit the preparation of financial statements in accordance with GAAP, consistently applied;

(3) be susceptible to audit;

(4) allow the Manager, the Tribe and the NIGC to calculate the annual fee payable pursuant to 25 C.F.R. § 514.1, if any;

(5) permit the calculation and payment of the Management Fee described in Section 6.1; and

(6) provide for the allocation of Operating Expenses or overhead expenses among the Tribe, the Tribal gaming operation, and any other user of shared facilities and services.

4.20. Agreed Ceiling for Repayment of Development and Construction Costs. The Facility is already in existence and there are no plans for expansion that would significantly change the current footprint of the Facility. Any changes would be limited to internal renovations and similar improvements to the Facility.

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ARTICLE 5
Liens

The Tribe specifically warrants and represents to the Manager that during the term of this Agreement the Tribe shall not act in any way whatsoever, either directly or indirectly, to cause any party to become an encumbrancer or lienholder of the Property

or the Facility or to allow any party to obtain any interest in this Agreement without the prior written consent of the Manager, and, where applicable, consent from the United States; provided, however, that nothing herein shall prohibit the Tribe from entering into necessary loan agreements or other agreements related to the operation of the Enterprise that customarily pledge the revenues of the Enterprise. In the event that Manager elects, in Manager's sole and absolute discretion, to pay amounts necessary to discharge any such lien or claim for lien, then, as a condition precedent to any such action by Manager, the Tribe and Manager shall mutually agree upon the repayment of Manager by the Tribe. The Manager specifically warrants and represents to the Tribe that during the term of this Agreement the Manager shall not act in any way, directly or indirectly, to cause any party to become an encumbrancer or lienholder of the Property or the Facility, or to obtain any interest in this Agreement without the prior written consent of the Tribe, and, where applicable, the United States. The Tribe and the Manager shall keep the Facility and Property free and clear of all enforceable mechanics' and other enforceable liens which may attach to the Facility or the Property, which shall at all times remain the property of the United States in trust for the Tribe. If any such lien is claimed or filed, it shall be the duty of the Tribe and the Manager to discharge the lien within thirty (30) days after having been given written notice of such claim, either by payment to the claimant, by the posting of a bond and the payment into the court of the amount necessary to relieve and discharge the Property from such claim, or in any other manner which will result in the discharge of such claim. The Tribe shall obtain the advance written consent and approval by Manager to any additional loan agreements relating to the operation of the Enterprise (Manager's consent not to be unreasonably withheld, conditioned or delayed). In the event that the Tribe obtains a loan for the significant expansion, development or construction of the Facility, the Parties hereby acknowledge and agree that any such loan shall require an amendment to this Agreement, which shall be submitted to the Chairman of the NIGC for review and approval.

Notwithstanding the foregoing, purchase money security interests in personal property may be granted with the prior written consent of the Tribe and, when necessary, the BIA, United States Department of Interior and/or the NIGC as appropriate.

ARTICLE 6
Management Fee, Reimbursements, Disbursements, and Other Payments by Manager

6.1. Management Fee. Subject to the provisions of Section 6.4, on or before the fifteenth (15th) day of each calendar month after the first full calendar month of operation after the Effective Date (and any partial period of operation in the month preceding the first full calendar month), Manager is authorized by the Tribe to pay itself from the Bank Account(s) a fee which is as follows: (subject to the signature requirements set forth in Subsection 4.17.3) a fee which is [redacted] of New Net Revenues as defined in this Agreement. [redacted] 64

6.2. Disbursements. As and when received by Manager, revenues of the Enterprise shall be deposited in the Bank Account(s) created pursuant to Article 4.17 of this Agreement. The funds shall, in turn, be disbursed by Manager, on a monthly basis, for and on behalf of the Tribe, from the Bank Account(s) to pay, to the extent available, Operating Expenses and required deposits.

Manager will reserve funds (in excess of the Minimum Balance), on an annualized basis, in the Bank Account each fiscal month for payment of any Operating Expenses or any of the above items which Manager has a duty to pay that are not paid on a monthly basis (e.g., insurance premiums, etc.).

6.3. Adjustment to Bank Account. After the disbursements pursuant to Section 6.2, and establishment of any reserves for future disbursements as the Manager deems necessary, taking into account anticipated cash flow and Operating Expenses at the Facility, any excess funds remaining in the Bank Account over the Minimum Balance (and such reserves) shall be disbursed monthly in accordance with Section 6.4.

6.4. Payment of Fees and Tribal Disbursement. Within fifteen (15) days after the end of each calendar month of operations, the Manager shall calculate and report to the Tribe the Gross Revenues, Operating Expenses, Net Revenues, and New Net Revenues of the Enterprise for the previous month's operations and the year's operations to date. Such Net Revenues shall be disbursed from the Bank Account(s) to the extent available to pay the scheduled items to the extent due and payable and earned in the following order of priority:

(1) The Minimum Guaranteed Monthly Payment;

(2) Any amounts advanced by or owed to Manager;

(3) Management Fee; and

(4) Replacement Reserve contributions.

All remaining Net Revenues shall be distributed to the Tribe at the same time the Management Fee is paid. This Section 6.4 controls only the priority of payment; other provisions of this Agreement shall continue to operate to control the source or account against which payments will be charged.

6.5. Operative Dates. For purposes of this Article 6, the first year of management under this Agreement shall begin on the Effective Date and continue until [redacted] anniversary of the Effective Date. Notwithstanding the foregoing, with the exception of Section 4.4.5, the term of this Agreement shall not extend beyond [redacted] years after the Effective Date.

6.6. Payment of Net Revenues. The Net Revenues paid to the Tribe pursuant to this Article 6 shall be payable to the Tribal bank account specified by the Tribe.

6.7. Operating Capital. Subject to Section 6.2 hereof, the Tribe shall be responsible for providing operating capital on a day to day basis.

ARTICLE 7
Trade Names, Trade Marks and Service Marks

7.1. Enterprise Name. The Enterprise shall be operated under the name "Elk Valley Casino" or such other business name as the parties may agree (the "Enterprise Name").

7.2. Trade Names, Trade Marks and Service Marks. Prior to the Effective Date the parties shall determine the trade names, trade marks and service marks to be used by the Enterprise (the "Marks") and from time to time during the Term hereof, Manager agrees to erect and install, in accordance with local codes and regulations, all signs Manager deems necessary in, on or about the Facility, including, but not limited to, signs bearing the Marks.

7.3. Tribe's Marks. The Manager agrees to recognize the exclusive right of ownership of Tribe to all Tribe's service marks, trademarks, copyrights, trade names, patents or other similar rights or registrations, now or hereafter held or applied for in connection therewith; these marks shall include all marks which are unique to and developed for the Gaming Facility (collectively, the "Tribe's Marks"). The Manager hereby disclaims any right or interest therein, regardless of any legal protection afforded thereto. The Manager acknowledges that all of Tribe's Marks might not be used in connection with the Gaming Enterprise, and the Tribe shall have sole discretion to determine which Tribe's Marks shall be so used. The Manager shall not use the Tribe's name, or any variation thereof, directly or indirectly, in connection with (a) a private placement or public sale of securities or other comparable means of financing or (b)

press releases and other public announcements, without the prior written approval of Tribe.

7.4. Litigation Involving Tribe's Marks. The Tribe and Manager hereby agree that in the event the Tribe and/or Manager is (are) the subject of any litigation or action brought by any party seeking to restrain the use, for or with respect to the Gaming Enterprise, by the Tribe and/or Manager of any Tribe's Mark used by Manager for or in connection with the Gaming Enterprise, any such litigation or action shall be defended entirely at the expense of Tribe, notwithstanding that Tribe may not be named as a party thereto. In the event the Tribe desires to bring suit against any user of any Tribe's Mark, seeking to restrain such user from using any Tribe's Mark, then such suit shall be brought only with the consent of Tribe and at the expense of the Tribe notwithstanding that such user may be a prior or subsequent user. In all cases the conduct of any suit whether brought by the Tribe and/or Manager or instituted against the Tribe and/or Manager shall be under the absolute control of the Tribe notwithstanding that Tribe may not be a party to such suit. The Manager, at its sole cost, shall have the right to engage its own legal counsel and the Manager's own counsel shall have the right to non-controlling participation in any such litigation. The Manager shall have the right at any time during the course of such litigation to withdraw from participation therein.

ARTICLE 8
Taxes

8.1. State and Local Taxes. If the State of California or any local government attempts to impose any possessory interest tax upon any party to this Agreement or upon the Enterprise, the Facility or the Property, the Business Board, in the name of the appropriate party or parties in interest, may, upon unanimous vote, resist such attempt through legal action. The costs of such action and the compensation of legal counsel shall be an Operating Expense of the Enterprise. Any such tax shall constitute an Operating Expense of the Enterprise. This Article shall in no manner be construed to imply that any party to this Agreement or the Enterprise is liable for any such tax.

8.2. Compliance with Internal Revenue Code. Manager shall comply with all applicable provisions of the Internal Revenue Code in effect from time to time.

ARTICLE 9
General Provisions

9.1. Situs and Choice of Law. This Agreement, as well as all contracts entered into between the Tribe and any person or any entity providing services to the Enterprise, is and shall be deemed entered into in California, and shall be subject to all Legal Requirements of the Tribe and federal law as well as approval by the Secretary of the Interior where required by 25 U.S.C. § 81 or by the Chairman of the NIGC where required by IGRA. This Agreement shall be construed in accordance with the laws of the State of California.

9.2. Notice. Any notice required to be given pursuant to this Agreement shall be delivered to the appropriate party by Certified Mail Return Receipt Requested, addressed as follows:

If to Manager:	Ellis Gaming Elk Valley Management LLC Attn: R. Shawn Ellis 900 South Pavilion Center Drive Suite 170 Las Vegas, Nevada, 89144 (702) 240-1910 - Telephone (702) 447-5635 - Facsimile
If to Tribe:	Elk Valley Rancheria, California Attn: Chairman 2332 Howland Hill Road Crescent City, California 95531 (707) 464-4680 - Telephone (707) 464-4519 – Facsimile
With a copy to (which copy shall not constitute notice):	Office of Tribal Attorney 2332 Howland Hill Road Crescent City, California 95531 (707) 464-4680 - Telephone (707) 464-4519 – Facsimile

or to such other different address(es) as the Manager or the Tribe may specify in writing using the notice procedure called for in this Section 9.2. Any such notice shall be deemed given two days following deposit in the United States mail or upon actual delivery, whichever first occurs.

9.3. Authority to Execute and Perform Agreement. The Tribe and Manager represent and warrant to each other that they each have full power and authority to execute this Agreement and to be bound by and perform the terms hereof. On request, each party shall furnish the other evidence of such authority.

9.4. Relationship. Manager and the Tribe shall not be construed as joint venturers or partners of each other by reason of this Agreement and neither shall have the power to bind or obligate the other except as set forth in this Agreement.

9.5. Contractual Authority in the Performance of this Agreement. Manager is authorized to make, enter into and perform in the name of and for the account of the Tribe any contracts deemed necessary by Manager to perform its obligations under this Agreement.

9.6. Further Actions. The Tribe and Manager agree to execute all contracts, agreements and documents and to take all actions necessary to comply with the provisions of this Agreement and the intent hereof.

9.7. Defense. Except for disputes between the Tribe and Manager, Manager shall bring and/or defend and/or settle any claim or legal action brought against Manager or the Tribe, individually, jointly or severally in connection with the operation of the Enterprise. Manager shall retain and supervise legal counsel, accountants and such other professionals, consultants and specialists as Manager deems appropriate to defend and/or settle any such claim or cause of action. All liabilities, costs, and expenses, including attorneys' fees and disbursements, incurred in defending and/or settling any such claim or legal action which are not covered by insurance shall be an Operating Expense. Nothing contained herein is a grant to the Manager of the right to waive Tribal immunity. That right is strictly reserved to the Tribe.

9.8. Waivers. No failure or delay by Manager or the Tribe to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, or to exercise any right or remedy consequent upon the breach thereof, shall constitute a waiver of any such breach or any subsequent breach of such covenant, agreement, term or condition. No covenant, agreement, term, or condition of this Agreement and no breach thereof shall be waived, altered or modified except by written instrument. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

9.9. Captions. The captions for each Article and Section are intended for convenience only.

9.10. Severability. If any of the terms and provisions hereof shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any of the other terms or provisions hereof. If, however, any material part of a party's rights under this Agreement shall be declared invalid or unenforceable, (specifically including Manager's right to receive its Management Fees or the Tribe to receive disbursements of Net Revenues) the party whose rights have been declared invalid or unenforceable shall have the option to terminate this Agreement upon thirty (30) days written notice to the other party, without liability on the part of the terminating party.

9.11. Third Party Beneficiary. This Agreement is exclusively for the benefit of the parties hereto and it may not be enforced by any party other than the Parties to this Agreement and shall not give rise to liability to any third party other than the authorized successors and assigns of the Parties hereto.

9.12. Brokerage. Manager and the Tribe represent and warrant to each other that neither has sought the services of a broker, finder or agent in this transaction, and neither has employed, nor authorized, any other person to act in such capacity. Manager and the Tribe each hereby agrees to indemnify and hold the other harmless

from and against any and all claims, loss, liability, damage or expenses (including reasonable attorneys' fees) suffered or incurred by the other party as a result of a claim brought by a person or entity engaged or claiming to be engaged as a finder, broker or agent by the indemnifying party.

9.13. Survival of Covenants. With the exception of the obligation to make the Minimum Guaranteed Monthly Payment described in Section 6.4 any covenant, term or provision of this Agreement which, in order to be effective, must survive the termination of this Agreement, shall survive any such termination.

9.14. Estoppel Certificate. Manager and the Tribe agree to furnish to the other party, from time to time upon request, an estoppel certificate in such reasonable form as the requesting party may request stating whether there have been any defaults under this Agreement known to the party furnishing the estoppel certificate and such other information relating to the Enterprise as may be reasonably requested.

9.15. Periods of Time. Whenever any determination is to be made or action is to be taken on a date specified in this Agreement, if such date shall fall on a Saturday, Sunday, legal holiday under the laws of the State of California, or a Tribal holiday, then in such event said date shall be extended to the next day which is not a Saturday, Sunday, legal holiday or Tribal holiday.

9.16. Preparation of Agreement. This Agreement was drafted and entered into after careful review and upon the advice of competent counsel and shall not be construed more strongly against either party regardless of who is responsible for its preparation.

9.17. Exhibits. All exhibits attached hereto are incorporated herein by reference and made a part hereof as if fully rewritten or reproduced herein.

9.18. Successors, Assigns, and Subcontracting. The benefits and obligations of this Agreement shall inure to and be binding upon the Parties hereto and their respective successors and assigns. The Tribe's consent, except for any applicable Tribal licensing requirements, shall not be required for Manager to assign or subcontract any of its rights, interests or obligations as Manager hereunder, or its successor corporation, provided that any such assignee or subcontractor agrees to be bound by the terms and conditions of this Agreement. The acquisition of Manager by a party or its successor corporation, shall not constitute an assignment of this Agreement by Manager and this Agreement shall remain in full force and effect between the Tribe and Manager, subject only to NIGC completion of its background investigation of the purchaser. Other than as stated above, this Agreement may be assigned or its non-gaming obligations subcontracted by the Manager, subject to approval by the Tribe, which approval shall not be unreasonably withheld, and the Chairman of the NIGC or the Chairman's authorized representative after a complete background investigation of the proposed assignee. Any such assignment shall not prejudice the rights of the Tribe as otherwise provided in the Agreement. The Tribe shall, without the consent of the

Manager, but subject to approval by the Secretary of the Interior or the Chairman of the NIGC or the Chairman's authorized representative, have the right to assign this Agreement and the assets of the Enterprise to an instrumentality of the Tribe or to a corporation wholly owned by the Tribe organized to conduct the business of the Enterprise for the Tribe that assumes all obligations herein. Any assignment by the Tribe shall not prejudice the rights of the Manager under this Agreement. No assignment authorized hereunder shall be effective until all necessary government approvals have been obtained.

9.19. Time is of the Essence. Time is of the essence in the performance of this Agreement.

9.20. Confidential and Proprietary Information.

9.20.1. Confidential Information. Both Parties agree that any information received concerning the other party during the performance of this Agreement, regarding the parties' organization, financial matters, marketing plans, or other information of a proprietary nature, will be treated by both parties in full confidence and except as required to allow Manager and the Tribe to perform their respective covenants and obligations hereunder, or in response to legal process or appropriate and necessary governmental inquiry, will not be revealed to any other persons, firms or organizations. This provision shall survive the termination of this Agreement for a period of two (2) years.

9.20.2. Proprietary Information of Manager. The Tribe agrees that Manager has the sole and exclusive right, title and ownership to:

(1) certain proprietary information, techniques and methods of operating gaming businesses;

(2) certain proprietary information, techniques and methods of designing games used in gaming businesses;

(3) certain proprietary information, techniques and methods of training employees in the gaming business; and

(4) certain proprietary business plans, projections and marketing, advertising and promotion plans, strategies, and systems, all of which have been developed and/or acquired over many years through the expenditure of time, money and effort and which Manager maintains as confidential and as a trade secret(s) (collectively the "Confidential and Proprietary Information").

The Tribe further agrees to maintain the confidentiality of such Confidential and Proprietary Information, and upon the termination of this Agreement, return same to

Manager, including but not limited to, documents, notes, memoranda, lists, computer programs and any summaries of such Confidential and Proprietary Information.

9.21. Employment Solicitation Restriction Upon Termination. The Tribe and the Tribal Council hereby agree not to solicit the employment of Manager's employees at any time during the term of this Agreement without Manager's prior written approval. Furthermore, the Tribe and the Tribal Council agree not to employ such personnel for a period of_____ after the termination or expiration of this Agreement, without Manager's prior written approval.

9.22. Patron Dispute Resolution. All patron disputes concerning play shall be the responsibility of the Manager pursuant to the Gaming Code, and the regulations promulgated thereunder.

9.23. Modification. Any change to or modification of this Agreement must be in writing signed by both parties hereto and shall be effective only upon approval by the Chairman of the NIGC, the date of signature of the parties notwithstanding.

ARTICLE 10
Warranties

10.1. Warranties. The Manager and the Tribe each warrant and represent that they shall not act in any way whatsoever, directly or indirectly, to cause this Agreement to be amended, modified, canceled, or terminated, except pursuant to Section 9.26. The Manager and the Tribe warrant and represent that they shall take all actions necessary to ensure that this Agreement shall remain in full force and effect at all times.

10.2. Interference in Tribal Affairs. The Manager agrees not to unduly interfere in or attempt to influence the internal affairs or government decisions of the Tribal government by offering cash incentives, by making written or oral threats to the personal or financial status of any person, or by any other action. Opinions expressed in the course of normal communications or actions in the normal course of business that affect the activities of the Enterprise shall not be construed as undue influence. Any finding of undue interference in Tribal affairs shall be ground for termination of the Agreement.

10.3. Prohibition of Payments to Members of Tribal Government. Manager represents and warrants that no payments have been or will be made to any Member of the Tribal Government, any Tribal official, any Relative of a Member of the Tribal Government or Tribal official, or any Tribal government employee for the purpose of obtaining any special privilege, gain, advantage or consideration.

10.4. Prohibition of Hiring Members of Tribal Government. No Member of the Tribal Government may be employed at the Enterprise without a written waiver of this Section 10.4 by the Tribal Council. For this purpose, the Tribe will identify all such persons to Manager.

10.5. Prohibition of Financial Interest in Enterprises. No Member of the Tribal Government or Relative of a Member of the Tribal Government shall have a direct or indirect financial interest in the Enterprise greater than the interest of any other member of the Tribe; provided, however, no member of Tribal Government shall purchase or hold stock in the Manager.

ARTICLE 11
Grounds for Termination

11.1. Voluntary Termination and Termination for Cause. This Agreement may be terminated pursuant to the provisions of Sections 4.4.4, 10.2, 11.2, 11.3, 11.4, and 11.5 of this Agreement.

11.2. Voluntary Termination. This Agreement may be terminated upon the mutual written consent and approval of the Parties and pursuant to Section 18 of this Agreement.

11.3. Termination for Cause. Either party may terminate this Agreement if the other party commits or allows to be committed any Material Breach of this Agreement. A Material Breach of this Agreement means a failure of either party to perform any material duty or obligation on its part for any thirty (30) consecutive days after written notice. Except as required by Legal Requirements, neither party may terminate this Agreement on grounds of Material Breach unless it has provided written notice to the other party of its intention to declare a default and to terminate this Agreement and the defaulting party thereafter fails to cure or take steps to substantially cure the default within sixty (60) days following receipt of such notice. The discontinuance or correction of a Material Breach shall constitute a cure thereof.

The Tribe may also immediately terminate this Agreement where the Manager has had its license denied, suspended, or revoked because the Manager, or a director or officer of the Manager, has been convicted of a criminal felony or misdemeanor offense directly related to the performance of the Manager's duties hereunder; provided, however, the Tribe may not terminate this Agreement based on a director or officer's conviction where the Manager terminates such individual no later than ten (10) days after receiving notice of the conviction. In the event that any of Manager's managers, officers or members owning five percent (5%) or more of the membership interests or equity interests of Manager is convicted of a criminal felony or criminal misdemeanor offense involving gaming, fraud or moral turpitude or that individual's gaming license is withdrawn in any jurisdiction by final administrative action, said individual shall not be allowed to continue management responsibility or presence at the Facility and shall immediately be prohibited by Manager from said activities or presence.

In the event of any termination for cause, regardless of fault, the parties shall retain all money previously paid to them pursuant to Article 6 of this Agreement; and the Tribe shall retain title to all Enterprise facility fixtures, improvements, supplies,

equipment, funds and accounts, subject to the rights of Manager under any security agreement and to the rights of the Manager to any accrued and unpaid Net Revenues due under Article 6 of this Agreement.

An election to pursue damages or to pursue specific performance of this Agreement or other equitable remedies while this Agreement remains in effect pursuant to the provisions of Article 17 shall not preclude the injured party from providing notice of termination pursuant to this Section 11.3. Any termination for cause shall not preclude a suit for damages.

11.4. Involuntary Termination Due to Changes in Legal Requirements. It is the understanding and intention of the Parties that the establishment and operation of the Enterprise conforms to and complies with all Legal Requirements. If during the term of this Agreement any material aspect of Gaming is determined by the Congress of the United States, the Department of the Interior of the United States of America, the NIGC, or the final judgment of a court of competent jurisdiction to be unlawful under federal law, the obligations of the parties hereto shall cease, and this Agreement shall be of no further force and effect; provided that:

(1) the Manager shall have the rights in Section 4.4 of this Agreement;

(2) the Manager and the Tribe shall retain all money previously paid to them pursuant to Article 6 of this Agreement;

(3) funds of the Enterprise in any account shall be paid and distributed as provided in Article 6 of this Agreement;

(4) any money loaned by or guaranteed by the Manager to the Tribe shall be repaid to the Manager to the extent provided in this Agreement; and

(5) the Tribe shall retain its interest in the title (and any lease) to all Enterprise fixtures, supplies and equipment, subject to any requirements of financing arrangements.

11.5. Manager's Right to Terminate Agreement. Manager may terminate this Agreement by written notice effective upon receipt if:

(1) Any Tribal, State or Federal authority where approval is required fails to approve this Agreement or otherwise objects to the performance by Manager of any obligation imposed on it under this Agreement.

(2) Manager has been notified by any regulatory agency that the performance by it of any obligation imposed by this Agreement will jeopardize the retention of any license, or approvals granted

thereunder, held by Manager in any other jurisdiction, and the Tribe refuses to allow the Manager to immediately rectify any such complaint.

(3) Manager has reason to believe that the performance by it or the Tribe of any obligation imposed under this Agreement may reasonably be expected to result in the breach of any applicable Tribal, State or Federal law.

(4) The Tribe fails to make any payment to Manager when due.

(5) The Effective Date has not occurred within after the date of this Agreement.

(6)

11.6. Consequences of Manager's Breach. In the event of the termination of this Agreement by the Tribe for cause under Section 11.3, the Manager shall not, prospectively from the date of termination, except as provided in Section 11.3, have the right to its Management Fee from the Enterprise. Any New Net Revenues accruing through the date of termination shall be distributed in accordance with Article 6 of this Agreement. Without limitation, termination of the Management Agreement pursuant to this Section 11.6 shall not operate to discharge the obligation of Tribe to repay any other amounts due Manager arising out of or in connection with this Agreement.

11.7. Consequences of Tribe's Breach. In the event of termination of this Agreement by the Manager for cause under Section 11.3, the Manager shall not be required to perform any further services under this Agreement and the Tribe shall indemnify and hold the Manager harmless against all liabilities of any nature whatsoever relating to the Enterprise, but only insofar as these liabilities result from acts within the control of the Tribe or its agents or created by the termination of this Agreement. The Manager and the Tribe acknowledge and agree that termination of this Agreement may not be a sufficient or appropriate remedy for breach by the Tribe, and further agree that pursuant to the other provisions of this Agreement, including but not necessarily limited to, Article 17, the Manager shall, upon breach of this Agreement by the Tribe, have the right to pursue such remedies (in addition to termination) at law or equity as it determines are best able to compensate it for such breach, including, without limitation,

Subject to the Governmental Action provisions of Section 17.10 of this Agreement, Manager shall have the right to its Management Fee accruing through the date of termination as provided in Article 6 of this Agreement.

11.8. Notice Provision. Unless required otherwise by the Tribe's Gaming Ordinance or applicable Legal Requirements, the Tribe will give the Manager notice of

any alleged violation of the Gaming Code and thirty (30) days opportunity to cure before the Gaming Commission may take any action based on such alleged violation.

ARTICLE 12
Conclusion of the Management Term

Upon the conclusion of the term or the termination under the terms of this Management Agreement, the Manager shall have the following rights in addition to any other rights provided under this Agreement:

12.1. Transition. Upon the conclusion or the termination of this Agreement, Manager shall take reasonable steps for the orderly transition of management of the Enterprise to the Tribe or its designee pursuant to a transition plan; such transition period shall be for a reasonable period but not less than thirty (30) days. Manager shall cooperate fully with the Tribe in that regard. No later than four (4) months before the expiration of the term of this Agreement, Manager shall submit to the Tribe or the Business Board, as appropriate, a transition plan which shall be sufficient to allow the Tribe to operate the Enterprise and provide for the orderly transition of the management of the Enterprise; provided, however that in the event that Manager's license has been revoked by the Gaming Commission, Manager shall not be present at the Facility and shall have no obligation or responsibility to prepare a Transition Plan or take part in any manner in the orderly transition of management of the Enterprise to the Tribe.

12.2. Undistributed Net Revenues. If the Enterprise has accrued Net Revenues which have not been distributed under Article 6 of this Agreement, the Manager shall receive that Management Fee equal to that Fee it would have received had the distribution occurred during the term of the Management Agreement.

ARTICLE 13
Consents and Approvals

13.1. Tribe. Where approval or consent or other action of the Tribe is required, such approval shall mean the written approval of the Tribal Council evidenced by a resolution thereof, certified by a Tribal official as having been duly adopted, or, if provided by delegated authority pursuant to: (i) a resolution of the Tribal Council, or (ii) a duly enacted Tribal ordinance or statute, or (iii) the duly promulgated consent or approval of the Gaming Agency, to such other person or entity so designated. Any such approval, consent or action shall not be unreasonably withheld or delayed; provided that the foregoing does not apply where a specific provision of this Agreement allows the Tribe an absolute right to deny approval or consent or withhold action.

13.2. Manager. Where approval or consent or other action of the Manager is required, such approval shall mean the written approval of a corporate officer of Manager. Any such approval, consent or other action shall not be unreasonably withheld or delayed.

ARTICLE 14
Disclosures and Warranties

14.1. Shareholders and Directors. Manager warrants that on the date of this Agreement all Parties in Interest in Manager and all of its Affiliates, shareholders, directors and officers have been disclosed to the Tribe.

14.2. Warranties. The Manager further warrants and represents that:

(1) no person or entity has any beneficial ownership interest in the Manager other than as set forth herein;

(2) no officer, director or owner of five percent (5%) or more of the stock of the Manager has been arrested, indicted for, convicted of, or pleaded nolo contendere to any determined by judgment of a court of competent jurisdiction to be guilty of any felony or any misdemeanor involving Gaming, fraud, theft, or embezzlement or by entry of a plea bargain to a lesser offense after being charged with any felony or any misdemeanor involving Gaming, fraud, theft, or embezzlement, or has at any time had any association with individuals or entities known to be connected with organized crime;

(3) as of the date of execution of this Agreement, no Party in Interest or person or entity disclosed pursuant to Section 14.1 of this Agreement, including any officers and directors of the Manager, has been determined by judgment of a court of competent jurisdiction to be guilty of any felony or any misdemeanor involving Gaming, fraud, theft, or embezzlement or by entry of a plea bargain to a lesser offense after being charged with any felony or any misdemeanor involving Gaming, fraud, theft, or embezzlement, or had any association with individuals or entities known to be connected with organized crime; and

(4) Manager will conduct an independent review as to the background of any person seeking to become a Party in Interest prior to granting or accepting the participation of any Party in Interest. The Manager shall disclose within fourteen (14) days any change in the Parties in Interest identified pursuant to Section 14.1. All necessary Governmental Authorities must approve any change in the list of Parties in Interest. Any failure of Manager to timely provide a complete and accurate list of all persons with a "direct or indirect financial interest" in this Agreement (as defined in 25 C.F.R. § 502.17) shall be a Material Breach of this Agreement.

14.3. Criminal and Credit Investigation. The Manager agrees that all of its shareholders, directors and officers and all Parties in Interest (whether or not involved in the Enterprise), shall:

(1) consent to background investigations to be conducted by the Tribe, the State of California, the Federal Bureau of Investigation (the "FBI") or any other law enforcement authority to the extent required by the IGRA and the Compact;

(2) be subject to licensing requirements in accordance with Tribal law and this Agreement;

(3) consent to a background, criminal and credit investigation to be conducted by or for the NIGC;

(4) consent to a financial and credit investigation to be conducted by a credit reporting or investigation agency at the request of the Tribe;

(5) cooperate fully with such investigations;

(6) disclose any information requested by the Tribe which would facilitate the background and financial investigation; and

(7) pay the reasonable cost and expenses of investigation for licensing of any such person required by applicable law to hold licenses by the Gaming Commission.

14.3.1 Materially False or Deceptive Disclosures or Failure to Cooperate. Any materially false or deceptive disclosures or failure to cooperate fully with such investigations by an employee of the Manager or an employee of the Tribe shall result in the immediate dismissal of such employee. The results of any such investigation may be disclosed by the Tribe to federal officials as required by law.

14.4. Removal; Divestiture.

(a) Should the Gaming Commission or the NIGC, or any other body whose approval is required pursuant to Legal Requirements, deny, revoke or suspend a gaming license of any of the Parties in Interest, said individual shall immediately terminate work for the Enterprise.

(b) Should the Gaming Commission or the NIGC, or any other body whose approval is required pursuant to Legal Requirements, find in a final non-appealable decision, that any of the Parties in Interest does not meet such Legal Requirements, then upon notice to the Manager or the Tribe of such finding, Manager shall require

such individual to divest any and all interest in this Agreement and remove such person from all association with operations under this Agreement within ten (10) business days of receipt of such notice unless otherwise required by Legal Requirements.

(c) Nothing herein shall limit the Gaming Commission's authority to act in accordance with the Gaming Code. In addition, if any Party in Interest (1) has been or is subsequently is determined by judgment of a court of competent jurisdiction to be guilty of any felony or any misdemeanor involving Gaming, fraud, theft, or embezzlement or by entry of a plea bargain to a lesser offense after being charged with any felony or any misdemeanor involving Gaming, fraud, theft, or embezzlement, or (2) knowingly or willfully provides materially false statements to the Tribe, the Gaming Commission or the National Indian Gaming Commission, or refuses to respond to questions from either of such agencies, or (3) attempts to unduly interfere or unduly influence for his or her gain or advantage any decision or process of tribal government and if Manager becomes aware of such conflicts or prohibited actions, then Manager shall notify Tribe of such event and within ten (10) days cause such person to divest his or her interest in Manager. In the event that any of Manager's managers, officers or members owning five percent (5%) or more of the membership interests or equity interests of Manager is convicted of a criminal felony or criminal misdemeanor offense involving gaming, fraud or moral turpitude or that individual's gaming license is withdrawn in any jurisdiction by final administrative action, said individual shall not be allowed to continue management responsibility or presence at the Facility and shall, immediately be prohibited by Manager from said activities or presence.

14.5. Disclosure Amendments. Subject to applicable Legal Requirements, including but not limited to 25 CFR § 537.1(a)(3), Manager agrees that whenever there is a change in the financial or ownership interest of Manager of more than 5%, Manager shall notify the Tribe, and the NIGC of such change not later than 10 days following the change or within 10 days after Manager becomes aware of such change. In accordance with 25 C.F.R. § 537.2, Manager shall submit to the NIGC the background information required in 25 C.F.R. § 537.1 in sufficient time to permit the NIGC to complete its background investigation by the time the individual is to assume management responsibility for, or the management contractor is to begin managing, the gaming operation and within 10 days of any such proposed change in financial interest. The Parties agree that such a change in financial interest does not constitute an amendment of this Agreement and that NIGC approval is only required if the change in financial or ownership interest of Manager relates to a new individual or entity. NIGC approval will not be required if the change in financial interest pertains to an existing individual or entity terminating or withdrawing its financial or ownership in Manager. The ownership interests in Manager may not be modified or changed without the prior approval of the Tribe, which shall not be unreasonably withheld or delayed.

14.6. Breach of Manager Warranties and Agreements. Subject to applicable Legal Requirements, the Material breach of any warranty or agreement of the Manager contained in this Article 14 shall be grounds for immediate termination of this Agreement; provided that (a) if a breach of the warranty contained in clause (2) of Section 14.2 is discovered, and such breach was not disclosed by any background

check conducted by the Gaming Commission, NIGC or FBI pursuant to approval of this Agreement, or was discovered by the such investigation but all officers and directors of the Manager sign sworn affidavits that they had no knowledge of such breach, then the Manager shall have ten (10) days after notice from the Tribe to terminate the interest of the offending person or entity and, if such termination takes place, this Agreement shall remain in full force and effect; and (b) if a breach relates to a failure to update changes in financial position or additional gaming related activities, then the Manager shall have ten (10) days after notice from the Tribe to cure such default prior to termination.

ARTICLE 15
[INTENTIONALLY OMITTED]

ARTICLE 16
No Present Lien, Lease or Joint Venture

The Parties agree and expressly warrant that neither the Management Agreement nor any exhibit thereto is a mortgage or lease and, consequently, does not convey any present interest whatsoever in the Facility or the Property, or any proprietary interest in the Enterprise itself. The parties further agree and acknowledge that it is not their intent, and that this Agreement shall not be construed, to create a joint venture between the Tribe and the Manager; rather, the Manager shall be deemed to be an independent contractor for all purposes hereunder.

ARTICLE 17
Dispute Resolution

17.1. Dispute Resolution. The Tribe and Manager each warrants that it will use its best efforts to negotiate an amicable resolution of any dispute between the parties hereto arising from this Agreement. If the Tribe and Manager are unable to negotiate an amicable resolution of a dispute within two weeks of the date the dispute is first formally brought to the other party's attention, either party may refer the matter to arbitration under this Agreement.

17.2. Arbitration. The Tribe and Manager agree that subject to Section 17.10 any dispute, controversy or claim arising out of or relating to this Agreement or other obligation between the parties that cannot be resolved through the negotiations conducted pursuant to the preceding paragraph of Section 17.1 shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect on the date the demand for arbitration is made, and the Federal Arbitration Act. Subject to Section 17.10, the parties agree that binding arbitration shall be the sole remedy as to all disputes arising out of this Agreement. The arbitration shall take place in Del Norte County, California, or such other place as the parties may agree.

17.3. Arbitration Procedure. Arbitration may be initiated by written notice delivered via facsimile, personal delivery or Federal Express or other nationally

recognized overnight carrier. Within seven days thereafter, each party shall notify the other party of its nominee for an arbitrator. If the Tribe and Manager can agree upon the nomination of a single arbitrator for the dispute, such person shall serve as sole arbitrator of the dispute. If the Tribe and Manager do not agree upon the nomination of a single arbitrator, each party's nominee shall serve as arbitrator upon a panel of three, and those two arbitrators shall select a third arbitrator to serve with them within two weeks; provided that the third arbitrator shall be a resident of a major metropolitan area in California, e.g., San Francisco, Sacramento, San Diego, or Los Angeles. The arbitrators shall commence proceedings within 30 days after their appointment, and shall hold proceedings providing each party with a fair opportunity to present its side of the dispute, together with any documents or other evidence relevant to resolution of the dispute. The arbitration decision shall be signed by the arbitrators and shall be made within 30 days after all evidence relevant to resolution of the dispute has been received by the arbitrators. The arbitration decision shall be final and binding upon the Tribe and Manager unless, during or following completion of the arbitration proceedings, the Tribe and Manager have met and arrived at a different settlement of the dispute, in which event such settlement shall be signed by the Tribe, Manager and the arbitrator(s). The prevailing party may bring an action to enforce any such settlement, if necessary, pursuant to the terms of Section 17.5. The costs of the arbitration shall be borne equally by the parties, unless the arbitrator(s) rule otherwise. Each party shall also be responsible for the costs incurred for any attorney or expert witness with respect to such arbitration, unless the arbitrator(s) rule otherwise. In rendering its decision and award, if any, the arbitration panel shall not alter or otherwise modify the provisions of this Agreement.

17.4. Judicial Enforcement of Arbitration Provisions. If enforcement of a settlement or arbitration decision become necessary by reason of failure of one or both parties to implement its terms voluntarily, or if either the Tribe or Manager refuses to participate in arbitration as provided in Article 17, the Tribe and Manager agree that the matter may be resolved by judicial resolution and enforcement, and that any action to confirm or enforce an arbitration award or to compel arbitration, whether the same is brought in a state or federal court, shall be governed by the Federal Arbitration Act.

17.5. Limited Waiver of Sovereign Immunity. Subject to the further provisions of this Article 17, the Tribe expressly waives on a limited basis in favor of Manager its sovereign immunity from suit for the limited purpose of permitting or compelling binding arbitration as provided in this Article 17, or enforcing any such arbitration award, and further consents to be sued, in accordance with this Article 17, in the United States District Court for the Northern District of California, the courts of the State of California or any other court of competent jurisdiction. By this Agreement, the Tribe does not waive, limit or modify its sovereign immunity from unconsented suit, except as set forth in this Section 17.5. The Tribe's limited waiver of its sovereign immunity in this Agreement only extends to disputes over the specific written rights and duties of the Tribe and Manager pursuant to this Agreement.

17.6. Service of Process. In any such suit, service shall be effective, if made by certified mail, return receipt requested, in accordance with Section 9.2 herein.

17.7. Limitation Upon Enforcement. Damages awarded against the Tribe in satisfaction of any enforcement proceedings under this Agreement shall be awarded only from the following:

(a) all assets of the Facility which is operated by or for the Tribe, not including any property held in trust for the Tribe by the United States of America; and

(b) all income received by the Tribe from the Facility which is operated by or for the Tribe.

Damages awarded against the Tribe shall not constitute a lien upon or be collectable from any other income or assets of the Tribe, except with the Tribe's consent.

17.8. Notice and Right to Cure. The parties agree that before the dispute resolution mechanisms described in this Section may be utilized, the party claiming breach or damage shall give written notice of the alleged breach or damage to the other party, and both shall make a serious effort to meet, cure any breach, and otherwise make a good faith effort to resolve any differences.

17.9. Performance During Disputes. Except as required by applicable Legal Requirements, including but not limited to 25 C.F.R. § 558.5 or the Gaming Code and subject to Section 17.10, it is mutually agreed that during any kind of controversy, claim, disagreement or dispute, including a dispute as to the validity of this Agreement, Manager shall continue to possess the rights, duties, and obligations set forth in this Agreement, and the Tribe and Manager shall continue their performance of the provisions of this Agreement and any exhibits thereto. Subject to Section 17.10 of this Agreement, Manager and the Tribe shall each be entitled to injunctive relief from a civil court or other competent authority to maintain such rights, duties, and obligations in the event of a threatened eviction during any dispute, controversy, claim or disagreement arising out of this Agreement. The Tribe's limited waiver of sovereign immunity as set forth in Section 17.5 shall apply fully with respect to such injunctive relief.

17.10 No Arbitration of Governmental Action. Notwithstanding the foregoing, an arbitrator shall not have the power to compel, negate, assume, usurp, or in any manner affect any Governmental Action. The preceding sentence does not prevent an arbitrator from determining that the taking of any Governmental Action, or the failure to take any Governmental Action, constitutes a breach of this Agreement by the Tribe, thereby resulting in liability on the part of the Tribe for damages in favor of the Manager as provided in this Agreement.

ARTICLE 18
Right of the Tribe to Buy Out Manager's Interest

After [redacted] from the Commencement Date, the Tribe shall have the right upon giving not less than thirty (30) days' written notice to purchase Manager's interest in this Agreement (the "Buy Out Date") and by

paying to Manager a termination payment that is equal to the present value of:

The Buy Out shall be effective upon payment to Manager of the sum calculated as set forth above. Upon the effective date of the Buy Out, there shall be no continuing obligations of either the Manager or the Tribe to each other under this Agreement, except as may be specifically provided herein.

Article 19
Marketing List

At all times during the term of the Agreement:

Article 20
Stay, Extension and Usury Laws.

Both the Tribe and the Manager covenant that neither will at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Agreement. In addition, the Tribe and the Manager hereby expressly waive any benefit or advantage of any such law, and covenant not to resort to any such law, hinder, delay or impede the execution of any power herein granted to the Tribe or Manager, but shall suffer and permit the execution of every such power as though no such law has been enacted (except, however, to the extent that a waiver thereof or an agreement not to claim, or not to take the benefit or advantage of such rights, under any such stay, extension or usury law shall be unlawful, legally unenforceable or against public policy as established by applicable statutory or case law). The Tribe acknowledges that if California usury limitations were deemed applicable to the transaction documented by this Agreement, then the transaction would be exempt from California usury limitations in accordance with California Corporations Code Section 25118, since (i) the parties have a preexisting business relationship, (ii) each party has the capacity to protect their own interests in connection with the transaction, and (iii) any advances or any other loan under this Agreement is not primarily for personal, family or household purposes.

ARTICLE 21
Entire Agreement

The Parties have entered into a prior consulting agreement. This Agreement, including any exhibits referred to herein, constitutes the entirety of this Agreement and the entire understanding of the parties hereto regarding the management of the Enterprise and supersedes all other prior agreements and understandings, written or oral, between the Parties regarding the management of the Enterprise. Any other prior agreements, including any consulting agreement, are hereby terminated as of the Effective Date of this Agreement.

ARTICLE 22
Government Savings Clause

Each of the Parties agrees to execute, deliver and, if necessary, record any and all additional instruments, certifications, amendments, modifications and other documents (collectively, "necessary action") as may be required by the United States Department of the Interior, BIA, the NIGC or any applicable statute, rule or regulation in order to effectuate, complete, perfect, continue or preserve the respective rights, obligations, liens and interests of the parties hereto to the fullest extent permitted by law; provided, that any such additional instrument, certification, amendment, modification or other document shall not materially change the respective rights, remedies or obligations of the Tribe or Manager under this Agreement or any other agreement or document related hereto.

ARTICLE 23
Standard of Reasonableness

Unless specifically provided otherwise, all provisions of this Agreement and all collateral agreements shall be governed by a standard of reasonableness.

ARTICLE 24
Preparation of Agreement

This Agreement has been carefully reviewed by counsel and shall not be construed more strongly for or against either party regardless of who is responsible for its preparation.

ARTICLE 25
Execution

This Agreement is being executed in four counterparts, two to be retained by each party. Each of the four originals is equally valid. This Agreement shall be deemed "executed" and shall be binding upon both Parties when properly executed and approved by the Chairman of the NIGC.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

ELK VALLEY RANCHERIA, CALIFORNIA

By: Dale A. Miller
Its: Chairman

ELLIS GAMING ELK VALLEY MANAGEMENT, LLC

By: R. Shawn Ellis
Its: President

Approved pursuant to 25 U.S.C. § 2711 and
Approved pursuant to 25 U.S.C. § 81

NATIONAL INDIAN GAMING COMMISSION

Date: NOV 20 2006

By: _____
Name:
Title: Chairman

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Approved pursuant to 25 U.S.C. § 2711 and
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NATIONAL INDIAN GAMING COMMISSION

By: _____
Name:
Title: Chairman

Date: NOV 20 2006

EXHIBIT 1 – SITE DESCRIPTION

Parcel 1

LEGAL DESCRIPTION

All that portion of lot 21 as shown on the map of Elk Valley Rancheria subdivision and filed in the office of the County recorder of Del Norte County in book 4 at page 102 of maps and more particularly described as follows:

Being the West 300.00 feet of said lot 21 of said subdivision.

A.P.N. 112-071-11

Parcel 2

That real property located in Section 23, Township 16 North, Range 1 West, Humboldt Meridian, Del Norte County California, described as follows.

Beginning at the Southwest corner of Lot No. 20 as shown on the map of the Elk Valley Rancheria Subdivision filed in the Office of the Del Norte County Recorder June 17, 1960 in Book 4 of Maps, page 102 an running:

(1) Thence along the south line of Lot 20, North 90 Degrees East for 136.68 feet;

(2) Thence leavening said line, North 02 Degrees 22 Minutes 15 Seconds East for 111.41 feet;

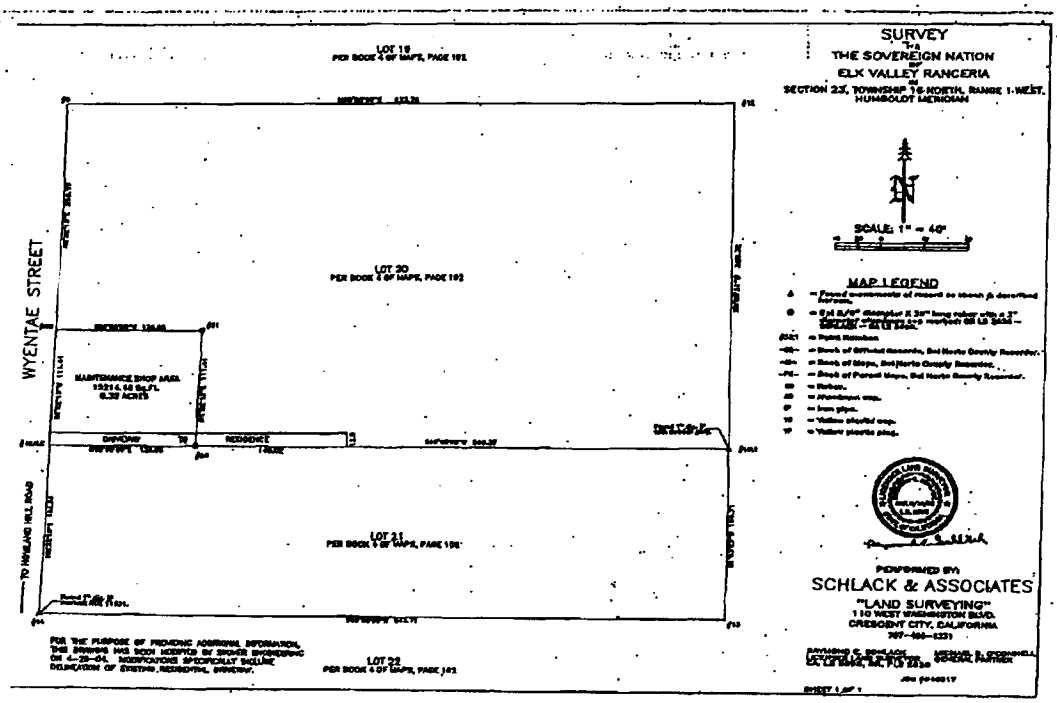
(3) Thence South 90 Degrees West for 136.68 feet feet, more or less, to a point on the east line of Wyentae Street;

(4) Thence along said east line, South 02 Degrees 22 Minutes 15 Seconds West for 111.41 feet to the Point of Beginning, end of description.

The Area being 15214.48 SqFt or 0.35 Acres, more or less.

LICENSED LAND SURVEYOR
RAYMOND EUGENE ECHLACK
No. 5698
STATE OF CALIFORNIA

Raymond E. Echlack


SURVEY
OF
THE SOVEREIGN NATION
OF
ELK VALLEY RANCERIA
IN
SECTION 23, TOWNSHIP 16 NORTH, RANGE 1 WEST,
HUMBOLDT MERIDIAN
LOT 19
PER BOOK 4 OF MAPS, PAGE 101
LOT 20
PER BOOK 4 OF MAPS, PAGE 102
LOT 21
PER BOOK 4 OF MAPS, PAGE 103
LOT 22
PER BOOK 4 OF MAPS, PAGE 103
WYENTAE STREET
TO HIGHLAND HILL ROAD
MAINTENANCE SHOP AREA
15214.58 Sq.Ft.
0.35 ACRES
RESIDENCE
DRIVEWAY
SCALE: 1" = 40'
MAP LEGEND
PERFORMED BY:
SCHLACK & ASSOCIATES
"LAND SURVEYING"
110 WEST WASHINGTON BLVD.
CRESCENT CITY, CALIFORNIA
707-464-5321

Parcel 2