# GAMING MANAGEMENT AGREEMENT

(Ignacio)

THIS GAMING MANAGEMENT AGREEMENT ("Agreement") is entered into between the **SOUTHERN UTE INDIAN TRIBE** ("the Tribe"), whose address is P. O. Box 737, Ignacio, Colorado 81137, and **GWC GAMING, INC.** ("GWC"), whose address is P. O. Box 1310, Durango, CO 81302, and is subject to approval by the National Indian Gaming Commission ("NIGC").

**WHEREAS**, certain real property ("Property") located north of Ignacio, Colorado, on State Highway 172, within the boundaries of the Southern Ute Indian Reservation ("Reservation") is owned by the United States of America in trust for the Tribe; and

**WHEREAS**, located on the Property is Sky Ute Lodge & Casino, a facility consisting of a casino, a motel, a restaurant, a gift shop, a cultural center/museum, a convention center/Bingo Hall, meeting rooms, and administrative offices; and

**WHEREAS**, the Tribe has renovated Sky Ute Lodge and converted a portion of the Property into a gaming facility (the "Casino"); and

**WHEREAS**, GWC is a Nevada corporation whose ownership is as follows: Gaming Associates, Inc. ("GAI") - 50%; Raymond Walters - 25%; and Marvin Conrad - 25%; and

**WHEREAS**, GWC has represented to the Tribe that it is experienced in the management of casinos and bingo operations; and

**WHEREAS**, GWC has entered into an agreement with the Tribe to provide management services for the motel and restaurant, which operate at the property and provide amenities to casino customers; and

**WHEREAS**, GWC has represented to the Tribe that it has sufficient resources to carry out its responsibilities under this Agreement; and

**WHEREAS**, the Tribe and GWC desire to enter into an agreement that sets forth the terms related to management of the Casino and Bingo operation.

**NOW, THEREFORE**, in consideration of the terms stated herein, the Tribe and GWC agree as follows:

## Article 1. AUTHORITY

This Agreement is entered into pursuant to the Indian Gaming Regulatory Act, 25 USC §2701 *et seq.* ("the Act"); pursuant to 25 U.S.C. §476 and pursuant to 25 U.S.C. §81. This Agreement and all actions performed pursuant to this Agreement shall be subject to the Act and any other applicable federal statutes, rules and regulations which govern the operation of Indian

gaming facilities, including, but not limited to the provisions of 25 CFR Parts 501 *et seq.*, the Southern Ute Indian Tribe - State of Colorado Gaming Compact (the "Gaming Compact"), the Gaming Codes and any other ordinances, codes or resolutions of the Tribe.

## Article 2. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Agreement:

A. Adjusted Gross Proceeds of Gaming or "AGP". The total amount of all wagers or buy-ins made by players on Gaming, plus the rake on non-banking card games, less all payments to players. Payment to players shall include all payments of cash, chips, tokens, or merchandise. AGP shall also be adjusted to reflect slot machine fills, after the initial fill, and inventories for the various games, as appropriate.

AGP includes any amounts received as business interruption insurance coverage, but shall not include the following:

(1) the sales of all goods, wares, merchandise, food and beverages of any nature or kind whatsoever;

(2) any sales tax, occupational tax or similar tax or imposition now or hereafter levied and paid to any federal, state or tribal authority upon the retail sales of merchandise and billed to gaming customers or patrons as a separate item;

(3) "complimentary sales" to customers; and

(4) funds received for charitable events held pursuant to appropriate federal statutes and rules with the prior written approval of the Tribe.

B. Annual Net Revenue. Total Net Revenue for one Fiscal Year or portion thereof.

C. Annual Statement. A statement, in a form approved by the Tribe and certified by an independent Certified Public Accountant, setting forth all information required by the Tribe including, but not limited to, cash flow statements showing the sources and use of cash, AGP and Annual Net Revenue for the immediately preceding Fiscal Year or portion thereof.

D. Approval Date. The date of the approval of execution of this Agreement by the Chairman of the NIGC.

E. Bingo. The game of chance commonly known as Bingo (whether or not electronic, computer or other technologic aids are used in connection therewith) as defined by the Act.

F. Casino. The portion of the Improvements where Gaming is conducted including the gaming floor and adjacent cashiers' areas, count room, and surveillance room.

G. Common Area. Those areas located on the Property which are open for use by the public including, without limitation, the sidewalks, parking area, landscaped areas, the hotel lobby and restrooms.

H. Common Area Maintenance. Maintenance of the Common Area including, without limitation, routine custodial maintenance of the parking lot and sidewalks (including snow removal), the hotel lobby and restrooms, landscaping, signage and lighting.

I. Complimentary Sale. Provision of goods or services at no cost for public relations or promotional purposes.

J. Damage or Destruction. Damage or destruction to all or any part of the Casino or Bingo Hall as a result of fire, hail, windstorm, flood, casualty or act of God, or other act beyond the control of the parties hereto.

K. Default Rate. An amount of interest equal to the lesser of [ ] per annum. 64

L. Division of Gaming. The Southern Ute Indian Tribe Division of Gaming.

M. Effective Date. The Approval Date or the Opening Date, whichever is later.

N. Fiscal Year. The fiscal year used by the Tribe.

O. Gaming. All games authorized by federal law and allowed in the Gaming Compact and any others which may be allowed in the future, by agreement or otherwise, to be conducted at the Casino or Bingo Hall.

P. Gaming Codes. The Southern Ute Indian Tribal Class II and Class III Gaming Codes and Gaming regulations.

Q. Gaming Commission. The Southern Ute Indian Tribal Gaming Commission.

R. Gaming Compact. The Southern Ute Indian Tribe - State of Colorado Gaming Compact, together with any amendments thereto.

S. Gaming Licenses. Any license required by any federal, tribal, or state agencies to operate the Casino and Bingo.

T. GAAP. Generally Accepted Accounting Principles as used in the Act and the federal regulations implementing the Act.

U. Guaranteed Payment. A minimum payment of[ ]per month to the Tribe guaranteed by GWC pursuant to 25 U.S.C. 2711(b)(3). 64

V. GWC Employees. The top level management employees of Sky Ute Lodge & Casino (the general manager and the controller) who work full time at Sky Ute Lodge & Casino. These employees shall be recruited and selected by GWC, subject to the Tribe's written approval, and hired as tribal employees for on-site management.

W. Improvements. All improvements now constructed on the Property as the same are remodeled, renovated or expanded.

X. Law Enforcement Costs. The cost for law enforcement services provided by La Plata County Sheriff pursuant to the Law Enforcement Agreement between La Plata County and the Tribe; costs of incarceration and prosecution which are to be borne by the Tribe pursuant to the Gaming Compact; and the cost of the impact study required by the Gaming Compact.

Y. Management Agreement Term. The period described in Article 3.

Z. Manager's Office. The office maintained by GWC at the Property.

AA. Monthly Statement. A detailed statement, which has been reviewed by GWC and signed and certified as accurate by the controller, setting forth: (1) the financial results of operation of the Casino and Bingo for the preceding month, or portion thereof, in a form approved by the Tribe and in accordance with GAAP, (2) the financial position of the Casino and Bingo as of the end of the preceding month, or portion thereof, in a form approved by the Tribe and in accordance with GAAP, and (3) a comparison to the approved Operating Budget. The accounting period shall be the calendar month.

BB. Net Revenue. The Net Revenue, calculated in accordance with this Agreement and in accordance with GAAP, will be equal to the AGP less Operating Costs.

CC. Non-Termination Period. [ ] following the Opening Date, September 1, 1993. 64

DD. Opening Date. The date when the conduct of Gaming commenced at the Casino.

EE. Operating Budget. The budgets prepared by GWC for each Fiscal Year and submitted to the Tribe for its review as set forth more fully in this Agreement, and all modifications, supplements and amendments thereto, as approved by the Tribe. Such budgets

shall include, without limitation, cash flow forecasts, all anticipated revenues and expenses of the Casino and Bingo operation for the upcoming year and capital expenditure budgets.

FF. Operating Costs. Ordinary and necessary costs incurred as a result of operating Gaming, which shall include:

(1) a [ ] gaming fund fee, assessed on AGP, to fund the functions of the Gaming Commission, the Division of Gaming and other gaming-related expenses incurred by the Tribe; b4

(2) a Tribal Management Development Fund fee, assessed on AGP, to fund the implementation of the Tribal Management Plan. b4

(3) a reasonable amount for salaries, wages and employee benefits of all employees of the Casino and Bingo operation, in accordance with the approved Operating Budget, plus performance bonuses as approved by the Tribal Council in writing;

(4) as rental for the Casino, Bingo Hall, and gaming-related areas, such as surveillance, countrooms, management offices and employee lounge and training areas, to be paid on a monthly basis; b4

(5) an amount equal to representing rental of all gaming equipment, furnishings, fixtures and related equipment; b4

(6) reasonable costs of replacement of all disposable gaming equipment, e.g. playing cards, cups, paper Bingo cards and pull tabs;

(7) reasonable costs of all goods, wares, merchandise, food and beverages;

(8) repairs to and normal maintenance of gaming equipment, including slot machines;

(9) reasonable amounts for marketing and advertising costs;

(10) routine custodial maintenance of the Casino, Bingo Hall and Common Areas;

(11) costs of insurance, as set forth in Article 13, including deductibles paid, to the extent the same are attributable to the Casino and Bingo operation;

(12) costs incurred by the Tribe for providing public safety services such as emergency medical service;

(13) post-opening monthly law enforcement costs;

(14) costs incurred by the Tribe for the performance of the impact study required pursuant to the Gaming Compact;

(15) the cost of annual audits of gaming operations, audits pursuant to 25 CFR 571.12, and any additional audits required by the Act and/or the Gaming Compact;

(16) the cost of complimentary sales;

(17) utility costs of the Casino and Bingo operation and Common Areas;

(18) costs of operational licenses, taxes applicable to the Casino and Bingo operation, and fees assessed by any federal, tribal or state agency, which must be paid in order to continue Gaming activities;

(19) investigation fees for tribal employees who are Key Licensees; provided, however, that such payment will be reimbursed by the employee and guaranteed by GWC in the event an employee terminates employment within one year of the date of employment;

(20) all charges and expenses within the Operating Budget pertaining to the reasonable and prudent operation of the Casino

(21) any net operating losses of the lodge and restaurant operation.

GG. Operating Reserve. An amount of cash as mutually agreed by the Tribe and GWC based on prudent money management principles.

HH. Operational Licenses. Any necessary licenses, permits and certificates, other than gaming licenses, issued by any federal, tribal or state agencies to operate any of the lawful businesses at the Property.

II. Quarterly Statement. A detailed statement, which has been reviewed by GWC and signed and certified as accurate by the controller, setting forth: (1) the financial results of operation of the Casino and Bingo for the preceding quarter, or portion thereof, in a form approved by the Tribe and in accordance with GAAP, (2) the financial position of the Casino and Bingo as of the end of the preceding quarter, or portion thereof, in a form approved by the Tribe and in accordance with GAAP, and (3) a comparison to the approved Operating Budget.

JJ. Termination Notice Period. A thirty-day period of time beginning every six months following expiration of the Non-Termination Period. The initial Termination Notice

Period shall be a thirty-day period of time immediately following expiration of the Non-Termination Period.

KK. TERO. The Southern Ute Indian Tribe Employment Rights Code.

LL. Tribal Council. The Southern Ute Indian Tribal Council.

## Article 3. TERM

The Management Agreement Term shall be[ ] commencing on the Opening Date, unless sooner terminated as provided in this Agreement. b4

## Article 4. GWC'S RESPONSIBILITIES

A. Agreement to Manage. GWC agrees to manage the Casino and Bingo operation in an efficient manner, without unreasonable interruption, with continuity of management services at the level and quality set forth in this Agreement.

B. Applications. GWC agrees, immediately following execution of this Agreement, to apply for and to endeavor to obtain all Gaming Licenses and Operational Licenses including, but not limited to, a gaming license necessary to enable GWC to manage and operate the Casino and Bingo operation on behalf of the Tribe, all in accordance with the provisions hereof and the Gaming Compact; the Gaming Codes; the Act; the rules and regulations of the NIGC (25 CFR 501, *et seq.*); applicable Executive Orders of the President of the United States; federal statutes, rules and regulations; and ordinances, codes and resolutions of the Tribe.

C. Financial Integrity.

(1) Security. By the Effective Date, GWC, at its sole expense, shall have in place one or a combination of the following performance assurances in the amount of b4

(a) sufficient GWC corporate assets;

(b) appropriate insurance coverage, including an errors and omissions policy;

(c) a letter of credit; or

(d) an escrow account containing specified assets.

Although the parties have stipulated that, as of the date of execution of this Agreement, is the appropriate value of assets to assure performance of GWC's responsibilities b4

and to satisfy any costs and judgments assessed against it in the event of its breach of covenants, conditions and obligations under this Agreement, the parties acknowledge that this amount has been estimated based on revenue projections. Therefore, the parties agree to review this initial amount ninety (90) days after the Effective Date to determine its sufficiency and to adjust this initial amount to reflect actual risks and circumstances, based on such review.

Surety bonds for GWC principals, associates and management level employees shall be posted as separate security.

(2) Tribe's Right to Terminate. In the event that GWC, despite diligent efforts, is unable by the Effective Date to acquire appropriate insurance coverage at a cost considered reasonable by both parties or to provide other sufficient security, by alternate means, as described above, the Tribe shall have the right to terminate this Agreement.

(3) Duty to Notify. GWC shall promptly notify the Tribe of any material adverse change in the business, property, assets, operations or conditions, financial or otherwise, in GWC or Gaming Associates, Inc., which would result in a diminishment of value.

D. Maintenance of Accounting Records.

(1) Records. GWC shall keep accurate and complete records of all transactions pertaining to all expenses and revenues concerning Gaming . To the extent those records are kept in computerized form or on microfiche, a detailed index to such systems will be maintained and provided to the Tribe on demand.

All records related to operation of the Casino and Bingo including, but not limited to, any sales tax reports, sales slips, sales checks, bank deposit records, inventory and receiving records, and any and all reports, applications or other documents submitted to any Federal, Tribal or State agency or required by the Tribe to be prepared, shall be kept at the Manager's Office for the Management Agreement Term. At the expiration of the Management Agreement Term or earlier termination in accordance with this Agreement, all such documents shall be subject to the exclusive control of the Tribe.

(2) Accounting. GWC shall keep general accounting records on a double entry system of accounting, maintaining necessary detailed, supporting, subsidiary records sufficient to reflect accurate AGP and Operating Costs on a weekly, monthly and year-to-date basis, including:

(a) detailed records and financial statements identifying revenues, Operating Costs, and assets and liabilities for the Casino and Bingo operation;

(b) detailed records of all returned checks;

(c)

(d)

(e) any records required by the Agreement, the Gaming Codes, and the internal control procedures of GWC, as approved by the Tribe;

(f) journal entries prepared by GWC and adjustments proposed by the independent accountant;

(g) any other records which the Tribe may specifically require to be maintained;

(h) all tax returns related to the conduct of Gaming;

(3) Accounting System. In addition to the records set forth above, GWC shall establish and maintain an accounting system, approved by the Tribe, which will at a minimum:

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

(b) permit the preparation of financial statements in accordance with GAAP;

(c) be susceptible to audit;

(d) permit the accurate calculation of the Gaming Fund Fee, the Tribal Management Development Fund Fee, entitled payments to the Tribe, the Management Fee and all other fees required to be paid under this Agreement; and

(e) permit the accurate calculation of the required NIGC Class II fee and any other gaming fees assessed under federal or tribal law.

(f) provide for the allocation of operating expenses or overhead expenses among the Tribe, the Casino and any other user of shared facilities and services.

(g) reflect complimentary sales as a separate item in all statements required under section D.(4) below.

(4) Financial Reporting.

(a) Annual Statements. On or before the first business day occurring forty-five (45) days following the expiration of the Fiscal Year, GWC shall furnish and deliver to the Tribe for both the Casino and Bingo operation: (i) Annual Statements; (ii) completed financial statements including balance sheets; profit and loss statements showing AGP, cost of goods sold, payroll, operating expenses and profits and losses for the fiscal period then ended; and statements of changes in financial condition and all other related schedules for the fiscal period then ended. All such financial statements shall be prepared in accordance with GAAP, consistently applied from period to period, and shall be audited by an independent Certified Public Accountant acceptable to the Tribe. GWC shall prepare a written executive summary on operations and present such along with an explanation of significant variances from the annual Operating Budget and outline any corrective actions proposed or undertaken.

(b) Quarterly Statements. GWC shall provide the Quarterly Statements for both the Casino and Bingo operation to the Tribe on or before the thirtieth day of the month following the close of the quarter. The Quarterly Statements for the fourth quarter are due along with the Annual Statements. GWC shall prepare a written executive summary on operations and present such along with an explanation of significant variances from the quarterly Operating Budget and outline any corrective actions proposed or undertaken.

(c) Monthly Statements. GWC shall provide Monthly Statements for the Casino and Bingo operation to the Tribe on or before the fifteenth day of the following month. GWC shall prepare a written executive summary on operations and present such along with an explanation of significant variances from the monthly budget and outline any corrective actions proposed or undertaken.

(d) Daily Statements. GWC shall provide Daily Statements for the Casino and Bingo operation and submit them as required by the Tribe.

(e) Report to Tribal Council. The general manager of Sky Ute Lodge & Casino and a principal of GWC shall appear before the Tribal Council on a monthly basis to report on the financial condition of the Casino and Bingo operation and submit the Monthly Statements. The president of GWC shall be available at least once quarterly to attend such meetings and shall be present at the annual meeting, wherein the budget for the operations is the agenda topic.

(f) All statements required by this section shall be in a form approved by the Tribe and in accordance with GAAP.

(5) Safekeeping. GWC will be responsible for the safekeeping of all coin, currency, chips and tokens at the Casino and Bingo operation and for arranging the transfer of the money to a bank designated by the Tribe.

(6) Bank Accounts. GWC will maintain and account for all bank accounts reported in the financial statements and shall be entitled to retain in those accounts at all times the Operating Reserve.

E. Casino and Bingo operation. GWC shall be responsible for all facets of the operation of the Casino and Bingo operation within the Operating Budget approved by the Tribe. GWC shall consult with the Tribe on decisions which either GWC or the Tribe shall consider significant but, except as expressly set forth herein, all decisions of GWC as to operations shall be final. GWC's duties shall include, but not be limited to, the following:

(1) Evaluating Casino and Bingo operation floor layout and designing and implementing desired changes.

(2) Making recommendations to the Tribe concerning the type of equipment to be used, including the manufacturer and where slot machines are involved, the denomination of the machines. Final determination as to the type of equipment to be used, the manufacturer and, where slot machines are involved, the denomination of the machines, shall be that of the Tribe.

(3) Making recommendations to the Tribe concerning all attendant gaming related facilities such as cashier's cages, count rooms, and surveillance areas and making recommendations to the Tribe concerning the equipment for each of the foregoing functions. Final determination of these items shall be that of the Tribe.

(4) Establishing and administering the employment practices of the Casino and Bingo operation and hiring and training of all related personnel and security personnel subject to Article 23, "Employment," and the Tribal Employment Rights Ordinance ("TERO").

(5) Recruiting, selecting and hiring qualified persons with demonstrated gaming experience for top level management positions subject to the written approval of the Tribe. Should any positions held by GWC Employees be vacant for any reason for a period in excess of seven (7) consecutive days, at the Tribe's request, GWC shall provide a tribally-licensed GWC or GAI principal for on-site replacement management until the vacant position is refilled or until other accommodations mutually agreeable to the parties are made.

(6) Obtaining and maintaining all required Gaming Licenses and Operational Licenses. Cooperating with the Gaming Commission, the Division of Gaming, the NIGC and the Division of Gaming of the State of Colorado to give effect to the terms and provisions of this Agreement.

(7) Consulting with the Tribe as to the operating days and hours of the Casino and Bingo operation. Final determination as to days and hours of operation shall be that of the Tribe except that in no event shall the Casino be open fewer than six (6) days or seventy-two (72) hours per week. Notwithstanding the foregoing, in the event the Casino is not open for the

minimum period described above due to events outside the Tribe's control, this shall not constitute an Event of Default hereunder.

(8) Cooperating with the audit of gaming operations as provided at 25 CFR 571.12.

(9) Selecting providers for and placing advertising in accordance with a marketing plan and the Operating Budget approved in writing by the Tribe.

(10) Paying from available funds, in a timely manner, the Operating Costs and other costs allowed hereunder out of AGP.

(11) Distributing the entitled payments to the Tribe in accordance with Article 6.

(12) Identifying differences between actual drop count, metered (expected) drop and final wrap count and taking appropriate corrective action.

(13) Operating the bar located in the Casino, if any.

(14) Complying with the Internal Revenue Service Code, NIGC Regulations and any other applicable federal, tribal or state laws, as they relate to gaming and GWC's obligations under this Agreement.

(15) Providing immediate access to the Casino and Bingo operation and all related information, including books and records, by representatives of the Tribe designated by written authority of the Chairman of the Tribal Council or his or her designee. Upon demand, the designated tribal representatives shall have the right to inspect, copy, audit or otherwise verify such information.

F. Operating Budget. GWC shall prepare and submit to the Tribe, in accordance with established tribal financial procedures, an Operating Budget for the Casino and Bingo operation for the next Fiscal Year. The Tribe shall promptly review the Operating Budget. If the Operating Budget is approved by the Tribe, it shall be the basis on which GWC operates the Casino and Bingo operation for the next Fiscal Year. If the Tribe desires any modifications to the Operating Budget, the Tribe shall submit to GWC such modifications; GWC shall thereafter revise the Operating Budget and resubmit the same to the Tribe. Throughout the year, GWC shall submit modifications to the Operating Budget for review by the Tribe, if it becomes evident that actual expenditures exceed budget.

## Article 5. TRIBE'S RESPONSIBILITIES

A. Facility. The Tribe shall provide a Casino, Bingo Hall and gaming related offices, which shall be maintained by the Tribe, and rented to Sky Ute Lodge & Casino for the conduct

B. Distribution of Entitled Payments to the Tribe.

(1) Commencing at the end of the second full month of operation and the last business day of every month thereafter, GWC shall distribute to the Tribe of all available Net Revenue or the Guaranteed Payment, whichever is greater, after taking into account the Operating Reserve and all other amounts required to be paid or necessary for satisfaction of current or future obligations of the Casino and Bingo operation. 64

(2) Prior to any distribution or payment hereunder, losses (*i.e.* the amount by which Operating Costs exceed AGP) that occur during one calendar month shall be carried forward and offset against Net Revenue occurring in subsequent months, and losses occurring during any Fiscal Year shall be carried forward and offset against Net Revenue occurring during any subsequent Fiscal Year.

(3) In the event that , of available Net Revenue amounts to less than the Guaranteed Payment, GWC, and not the gaming operation, will fund any difference created by this shortfall. 64

Article 7. MANAGEMENT FEE AND DISTRIBUTION TO GWC

A. Management Fee. In consideration of GWC's performance of its obligations hereunder, the Tribe agrees to pay to GWC a Management Fee equal

B. Distribution to GWC. Commencing at the end of the second full month of operation and the last business day of every month thereafter, GWC shall be paid after taking into account the Operating Reserve and all other amounts required to be paid or necessary for satisfaction of current or future obligations of the Casino and Bingo operation. Prior to any distribution or payment hereunder, losses (i.e. the amount by which Operating Costs exceed AGP) that occur during one calendar month shall be carried forward and offset against Net Revenue occurring in subsequent months, and losses occurring during any Fiscal Year shall be carried forward and offset against Net Revenue occurring during any subsequent Fiscal Year.

Article 8. FINANCIAL PROCEDURES

A. Self Funding.

(1) It is the intention of the parties hereto that Operating Costs will be funded solely out of the AGP.

(2) If at any time during the Management Agreement Term the actual cash on hand is projected to be insufficient to pay all Operating Costs, GWC shall notify the

Tribe. The Tribe shall fund any shortfall, so long as the notice obligations of GWC have been timely performed, subject to subsequent repayment from available AGP.

(3) Any funding of such shortfall by the Tribe shall be treated as a loan to the gaming operation and shall be repaid at annual interest. Any tribal loan to make up a shortfall shall be used only in the manner jointly agreed to by the Tribe and GWC. 64

(4) Upon notification that actual cash on hand is projected to be insufficient to pay all Operating Costs, the Tribe may modify the Operating Budget so as to reduce Operating Costs, which modifications shall be implemented by GWC.

B. Year End Reconciliation. At the end of each Fiscal Year, following preparation of the Annual Statements, a reconciliation shall be made between the amounts actually paid under this Agreement and the amounts owed hereunder for the preceding Fiscal Year. In the event such statement reflects the necessity to adjust amounts paid to the Tribe or GWC pursuant to this Agreement, as being either greater or lesser than that paid periodically throughout the preceding year, then such adjustment shall be made by the parties within forty-five (45) days of the delivery to the Tribe of the Annual Statements.

C. Inventory. The Tribe shall participate as an observer periodically, no less than annually, in the inventory of all Casino and Bingo operation assets, including tribal assets associated with and under control of GWC, and validate reconciliation to the general ledger.

D. Procedures Upon Termination of Agreement. At the conclusion of the Management Agreement Term, or upon earlier termination in accordance with the terms of this Agreement, GWC shall close the Casino and Bingo operation's books as of close of business on that day. A final distribution and settlement shall be made when all bills are paid and monies received or sixty (60) days after such termination, whichever is less. The Tribe shall participate in the final inventory of all assets and reconciliation to general ledger, and ensure complete lock/key/safe combination changeovers. All bank accounts must be corrected to reflect date and new signature authorities.

## Article 9. AUDIT OF FINANCIAL STATEMENTS

A. Annual Audit. There shall be an annual audit of all records pertaining to the operation of the Casino and Bingo operation at the Manager's Office or such other place where the necessary records are kept. At no cost to the Tribe, GWC shall make available to the auditors all statements, records, reports and other documents related to the Casino and Bingo operation. GWC shall train a designated tribal representative in the use of the accounting systems used by GWC. Costs of annual audits shall be an operating expense of the Casino and Bingo operation.

B. Inspections and Examinations. The Tribe shall have the right at any time to have its representatives examine all statements, records, reports and other documents related to operation of the Casino and Bingo, including, but not limited to all of the records prepared by GWC relating to said operations. At no cost to the Tribe, GWC shall make all such records available for examination by the Tribe. In addition, a representative of the Tribe may participate, at any time, in the slot machine meter reading, drop, count and reconciliation procedures as an observer.

C. Additional Optional Audits. In addition to required audits, *e.g.* the annual audit, the Tribe may also conduct additional audits at its option. Any such audit shall be made at the Manager's Office or such other place where the records necessary to conduct the audit are kept. The cost of such audit shall be borne by the Tribe unless the results of any such audit determine that as a result of GWC errors, there has been an understatement or overstatement of more than three percent (3%) of Adjusted Gross Proceeds earned or Net Revenue earned during the audit period, in which event such audit costs shall be borne by GWC.

D. Audit Disputes. The Tribe shall provide to GWC at no cost a copy of any audit. GWC shall have a period of thirty (30) days from the date GWC was provided a copy of such audit to notify the Tribe that it disputes such audit. In the event that the Tribe and GWC are unable to resolve such dispute within thirty (30) days after the giving of GWC's notice, then the Tribe and GWC shall mutually select an independent certified public accountant to perform an audit of the items in dispute. The results of such audit shall be binding upon the Tribe and GWC. The Tribe and GWC shall adjust the payments within forty-five (45) days of notification of the independent certified public accountant's decision.

## Article 10. PRE-APPROVAL OPERATIONS

It is understood that in the event this Agreement has not been approved by the NIGC by the Opening Date, the Tribe may commence gaming operations on its own and may elect to employ directly persons associated with GWC to assist in such activity. GWC shall cooperate by taking necessary measures to provide for appropriate termination of such employees and agrees to reemploy such persons when and if this Agreement is approved, unless the Tribe shall object for good cause to such reemployment.

## Article 11. CONFIDENTIALITY

A. All records of the Tribe and information generated or accumulated by GWC during the Management Agreement Term, except for that information ultimately approved for distribution to the public, shall be treated as confidential, and such information shall not be disclosed to other entities without prior approval of the Tribal Council.

B. GWC agrees to maintain as confidential, both during and following the Management Agreement Term, such information about the Tribe's resources, business activities and plans which has not been disclosed to the public by the Tribal Council or its representatives,

or is not otherwise in the public domain, unless GWC is compelled by law to disclose such information, in which case notice shall be given to the Tribe of such legally required disclosure.

C. Failure to comply with this confidentiality provision will be grounds for immediate termination.

## Article 12. OUTSIDE WORK

It is recognized that GWC or its principals are currently engaged, and may further engage, in outside employment or consultation for hire. Such work shall not interfere with GWC's commitment to the Tribe, nor result in any violations of the confidentiality provisions set forth above. GWC and its principals agree not to engage in any gaming related activities which would constitute a direct conflict of interest with the interests of the Tribe, including involvement in any gaming operation within a 100 mile radius of Ignacio, Colorado. GWC shall disclose the existence of any gaming related contracts, regardless of the locale involved, once those contracts have been finalized.

## Article 13. INSURANCE

A. GWC's Insurance. GWC shall procure and maintain the following types and amounts of insurance issued by a company having a rating in Best's Insurance Guide of Class A or better:

(1) Comprehensive General Liability insurance, including coverage for injury to persons or property or the death of any person or persons occurring in or about the Casino and Bingo facility in an amount not less than naming the Tribe as an additional insured.

(2) Liquor Liability insurance, if liquor is served in the Casino or Bingo Hall, in an amount mutually agreed upon by the Tribe and GWC.

B. Tribe's Insurance. The Tribe shall maintain the following types and amounts of insurance:

(1) Property and casualty insurance covering the Improvements to insure against loss of the structures, FF&E, and the personal property of GWC and the Tribe.

(2) Worker's compensation and such other insurance necessary to comply with applicable laws relating to employment of tribal employees of the Casino and Bingo operation.

C. Policy Requirements. The form of each policy of insurance required to be carried by GWC and the Tribe hereunder shall provide that such policy of insurance:

(1) cannot be cancelled, invalidated or suspended on account of the conduct of the primary insured, its officers, directors, employees, agents and any other party acting by, through or under such party; and

(2) shall not be terminated without not less than thirty (30) days' prior written notice to the additional insured.

D. Evidence of Complying Policies. Each party shall provide to the other certificates of insurance or copies of insurance policies evidencing that insurance coverage satisfying the requirements of this Agreement is in effect at all times.

## Article 14. QUIET ENJOYMENT

So long as GWC shall perform its obligations hereunder, the Tribe covenants that GWC, subject to the Tribe's rights herein, shall have the exclusive right to perform its obligations hereunder without interference from third parties claiming rights inconsistent with GWC's exclusive right to operate and manage the Casino and Bingo operation.

## Article 15. DESTRUCTION

A. Repair. In the event of damage or destruction to the Casino or Bingo Hall which results in an estimated cost to rebuild or repair in an amount , the Tribe shall, to the extent of available insurance proceeds, rebuild or repair the Casino or Bingo Hall. In the event of damage or destruction to the Casino or Bingo Hall which results in an estimated cost to rebuild or repair in an amount of , the Tribe, at its option, may use insurance proceeds to rebuild or repair the Improvements. In the event the Tribe elects not to repair or rebuild, the obligations of the parties shall be suspended until such time as the reopening of the Casino or Bingo Hall or the expiration of the Management Agreement Term, whichever is earlier. Alternatively, the parties may terminate this Agreement by mutual stipulation.

B. Temporary Closure. If the Casino is closed because of damage or destruction or for any reason outside GWC's control for any period of time in excess of seven (7) consecutive days, but less than ninety (90) consecutive days, then the obligation of GWC to make entitled payments to the Tribe shall be suspended and discharged for the period of closure, and the Tribe's right to receive said payments for the period of closure shall be waived.

## Article 16. TERMINATION

A. Licensing. In the event GWC has not been licensed by the Southern Ute Gaming Commission or been approved by the NIGC within seven (7) months of the date of the execution of this Agreement, then either party to this Agreement may, upon written notice to the other party, declare the Agreement null and void and have no further obligation to seek such approvals. GWC shall reimburse the Tribe for Gaming License costs incurred, including background

investigation bonds or fees, should GWC or any of its principals or associates be denied a Gaming License or withdraw a Gaming License application once a background investigation has been undertaken.

B. Termination Without Cause. Neither party may terminate this Agreement during the Non-Termination Period, except as provided herein upon an Event of Default. Following the Non-Termination Period, the Tribe may terminate this Agreement for any reason by providing written notice of termination during the Termination Notice Period. In the event such notice of termination is provided by the Tribe, the effective date of termination, unless otherwise agreed, shall be six months from the date such notice of termination is given. In the event of such termination, the Tribe shall only be obligated to compensate GWC for work performed to the effective date of termination plus : b4

, whichever is greater. In the event of any termination, all statements and reports required to be prepared by GWC under this Agreement, prior to the effective date of termination, shall be prepared and submitted, even if submission follows the effective date of termination. Notwithstanding the above, GWC shall not be relieved of liability to the Tribe for damages sustained by the Tribe by virtue of any breach of this Agreement by GWC.

## Article 17. DEFAULT BY GWC AND TRIBE'S REMEDIES

A. Default Defined. Each of the following shall be deemed a breach of this Agreement and an "Event of Default" by GWC:

(1) If GWC becomes insolvent, performs any act of bankruptcy or is not generally paying its debts as the same become due;

(2) If GWC fails to perform any of the material covenants, conditions or obligations of this Agreement, which failure continues for a period of ten (10) days following written notice thereof from the Tribe to GWC, unless a greater period of time is agreed to in writing by the parties;

(3) If GWC, its employees, agents, or affiliates, commits any act which causes a breach, default, termination or expiration without renewal or replacement under any Gaming License or Operational License and the same is not cured within any period of time granted by the Gaming Commission or other applicable governmental authority for such cure;

(4) If GWC files a voluntary petition for bankruptcy or if creditors of GWC file an involuntary petition for bankruptcy of GWC. If such action is involuntary then GWC shall have ninety (90) days to cause such action to be dismissed without causing a default.

(5) If GWC or an affiliate of GWC holds a gaming license at another gaming site on the Reservation and if the licensed entity commits a default under the agreement giving rise to that license and that default leads to termination of that agreement.

(6) If GWC or an affiliate of GWC defaults under any agreement with the Tribe and that default leads to termination of that agreement; provided, however, that any default under the lodge and restaurant contract is excluded from this subparagraph.

B. Grace Periods. If an Event of Default does not involve the payment of any monetary sum, is not willful or intentional, does not place any rights, property, Gaming License or Operational License in immediate jeopardy, and cannot be cured within the time frames noted above, GWC shall have such additional time as may be reasonably necessary to cure the same so long as it has commenced such cure within the time frames provided above and thereafter diligently pursues completion thereof.

C. Remedies. In the event any Event of Default remains uncured within all applicable cure periods, the Tribe shall be entitled to exercise, at its option, concurrently, successively or in any combination, all remedies available at law or in equity, including, without limitation, any one or more of the following:

(1) to terminate this Agreement;

(2) to recover from GWC all expenses, including attorneys' fees, reasonably paid or incurred by the Tribe as a result of such Event of Default.

(3) damages plus interest at the Default Rate for any past due amounts.

D. Right of Tribe to Cure. Upon the occurrence of an Event of Default by GWC, which remains uncured during any cure period, the Tribe may, but shall not be obligated to, upon written notice to the GWC, correct such Event of Default for the account and at the expense of GWC. Any money so paid by the Tribe, together with interest at the Default Rate and all costs and damages as determined by agreement shall be due from GWC to the Tribe.

## Article 18. DEFAULT BY TRIBE AND GWC'S REMEDIES

A. Default Defined. The following shall be deemed a breach of this Agreement and an Event of Default by the Tribe:

If the Tribe fails to perform any of the material covenants, conditions or obligations of this Agreement, which failure continues for a period of ten (10) days following written notice thereof from GWC to the Tribe unless a greater period of time is agreed to in writing by the parties.

B. Grace Periods. If any Event of Default does not involve the payment of any monetary sum, is not willful or intentional, does not place any rights, property, Gaming License of GWC or the Tribe in immediate jeopardy, and cannot be cured within the time frames noted above, the Tribe shall have such additional time as may be reasonably necessary to cure the same

so long as it has commenced such cure within the time frames provided above and thereafter diligently pursues completion thereof.

C. Remedies. In the event of any Event of Default which remains uncured within all applicable cure periods, and extensions thereof as provided above, GWC shall be entitled to exercise, at its option, concurrently, successively or in any combination, all remedies available at law or in equity, including, without limitation:

(1) to terminate this Agreement;

(2) to recover from the Tribe all amounts which GWC may, at the time of termination, be due from the Tribe hereunder including attorneys' fees, reasonably paid or incurred by GWC as a result of such Event of Default; and

(3) damages plus interest at the Default Rate for any past due amounts.

D. Right of GWC to Cure. Upon the occurrence of an Event of Default by the Tribe, which remains uncured during any cure period, GWC may, but shall not be obligated to, upon written notice to the Tribe, correct such Event of Default for the account and at the expense of the Tribe. Any money so paid by GWC, together with interest at the Default Rate and all costs and damages as determined by agreement, shall be due from the Tribe to GWC.

## Article 19. ASSIGNMENT, DELEGATION AND SUBCONTRACTING

A. GWC acknowledges that as an inducement to enter into this Agreement, the Tribe has relied on both the business expertise and financial integrity of GWC. If GWC were to assign or alienate any or all of its contractual rights or delegate any or all of its contractual duties, it could substantially alter the contractual risks for which the Tribe and GWC bargained. Therefore, GWC shall not assign this Agreement or any interest therein, nor shall GWC delegate any contractual duties under this Agreement without the prior written consent of the Tribe, which consent may be granted or withheld in the sole discretion of the Tribe. For purposes of this provision, assignments shall include, but not be limited to, any material alteration in the business structure of GWC, such as the formation of additional corporate entities or partnerships, changes in the ownership interests in GWC, or public offerings which would include the rights under this Agreement as an asset.

B. No assignment of rights or delegation of duties, including any subcontracting of duties, shall relieve GWC of any of its obligations under this Agreement, including obligations arising prior to the date of any attempted assignment or delegation. Even with consent of the Tribe, no assignment or delegation shall be effective until approved by the NIGC, if such approval is required, and licensing by the Tribe. Any waiver of the Tribe's rights under this section must be in writing.

## Article 20. NOTICE

A. Manner. All notices, demands, requests, consents, approvals or other instruments required or permitted to be given by either party pursuant to this Agreement shall be in writing and shall be deemed to have been properly given if sent by either (i) registered or certified mail, postage prepaid; or (ii) by a recognized national overnight courier service (e.g. Federal Express) with instructions and payment for next business day delivery, to the parties at the addresses set forth below and/or to such other address as either party may give notice pursuant to this section from time to time. All notices shall be deemed received and effective on the first to occur of the following: (i) delivery, (ii) refusal of delivery; or (iii) the third business day after posting or delivery to the courier service.

B. Addresses for Parties.

If to the Tribe:

Southern Ute Indian Tribe
P. O. Box 737
Tribal Affairs Building
Ignacio, CO 81137

With a copy to:

Maynes, Bradford, Shipps & Sheftel
835 E. Second Avenue, Suite 123
P. O. Box 2717
Durango, CO 81302-2717

If to GWC:

Richard Goeglein
GWC Gaming, Inc.
P. O. Box 1310
Durango, CO 81302

Or: GWC Gaming, Inc.
1060 Main Avenue, Suite 103
Durango, CO 81301

With a copy to:

Bruce Leslie
530 Las Vegas Boulevard South
Las Vegas, NV 89101-6515

C. Designated Agents for Service. For purposes of notice or service of any official determination, order or notice of violation by NIGC, the following are the designated agents for service:

For the Tribe:

Leonard C. Burch, Chairman
Southern Ute Indian Tribe
Tribal Affairs Building
P. O. Box 737
Ignacio, CO 81137

For GWC:

Richard Goeglein
GWC Gaming, Inc.
1060 Main Avenue, Suite 103
P. O. Box 1310
Durango, CO 81301

## Article 21. REMOVAL OF GWC'S PROPERTY

At the expiration of the Management Agreement Term or earlier termination in accordance with this Agreement, if GWC is not then in default of the Agreement, GWC shall remove from the Casino and Bingo Hall all personal property belonging to GWC, if any, which personal property shall not include any records related to the Casino and Bingo operation.

## Article 22. DISPUTE RESOLUTION

A. Management Agreement Disputes. Should a dispute arise under this Agreement which cannot be resolved amicably, the Southern Ute Indian Tribal Court shall have exclusive jurisdiction to resolve the dispute.

B. Gaming Disputes. Any Gaming dispute between GWC and patrons of the Casino or Bingo operation shall be resolved as set forth in the Class III Gaming Code.

## Article 23. EMPLOYMENT

A. TERO. GWC and the Tribe shall comply with TERO in the course of performance of this Agreement, and any employment or human resources manual, written employment policies and employment practices shall reflect compliance with TERO.

B. Hiring. GWC shall have the responsibility and authority to hire, train, supervise, and terminate employees of the Casino and Bingo operation in accordance with the Operating

Budget approved by the Tribe, the employment manual, and written employment policies. The Tribe shall be the employer of all employees at the Property, including the top level management employees selected and hired by GWC subject to the approval of the Tribe.

C. GWC Employees.

(1) GWC shall consult with the Tribe concerning the hiring of GWC Employees. The hiring of GWC Employees by GWC shall be subject to review and approval by the Tribe. No GWC Employee shall be hired or retained by GWC for work at the Casino or Bingo operation without prior written approval from the Tribe. The Tribe may revoke said approval for good cause.

(2) GWC shall advise and consult with the Tribe prior to any termination of, or proposed change in, top level management personnel or responsibilities.

D. Manual. GWC shall, in consultation with the Tribe, prepare a manual of employment policies and practices, including a mechanism for resolving employee disputes and disputes between employees and management, which shall govern the relationship of tribal employees to Sky Ute Lodge & Casino. This manual shall be submitted to the Tribe for review and approval prior to the Effective Date. All employees of the Casino and Bingo operation shall be "at will."

E. Records. GWC shall keep employment records with respect to all employees and shall be responsible for all matters concerning their status, including payroll, withholding, Worker's Compensation and Unemployment Insurance and any other payments required to be paid employees by applicable law and the employment manual referred to above in section 23.D. All records related to tribal employees shall belong to the Tribe. GWC shall keep records of all tribal members seeking employment and the disposition of the application. All representations by applicants as to qualifications for preference shall be verified through the TERO office.

F. Supervision. GWC shall supervise the day-to-day performance of all employees and shall have the power to discipline or terminate an employee subject to the provisions of TERO, section A above, and the manual referred to in section D. above.

G. Tribal Management Plan. It is understood that it is a goal of the Tribe and GWC to train tribal members so that at the expiration of the Management Agreement Term the Casino and Bingo operation may be operated by tribal members. To make this goal a reality, GWC shall implement a written plan that is approved in writing by the Tribe ("Tribal Management Plan"). The Tribal Management Plan, funded by the Tribal Management Development Fund Fee, shall include a specific program for tribal management development. The plan shall be prepared in consultation with the Tribe's TERO office and shall be submitted to the Tribe for its review and approval prior to the Effective Date. The Tribal Management Plan shall include, but not be limited to, the following:

(1) On the job training;

(2) Management apprentice programs;

(3) Temporary seasonal placements to assist students;

(4) Out placement casino or hotel opportunities to develop management skills.

As soon as reasonably practicable, the Tribe and GWC shall jointly identify a pool of individuals with demonstrated interest and ability in Casino and Bingo management to participate in the Tribal Management Plan. GWC shall meet with TERO quarterly to review the plan and modify it where necessary. GWC shall also report to the Tribal Council on the status of the Tribal Management Plan on a quarterly basis.

H. Tribal Management Development Fund. The Tribe shall create a Tribal Management Development Fund, the purpose of which shall be to help defray the expense of training qualified tribal members to become Casino and Bingo management and supervisory level personnel in accordance with the Tribal Management Development Plan.

## Article 24. INDEMNIFICATION

A. By GWC. GWC shall indemnify and hold harmless the Tribe from and against any and all claims by or on behalf of any person arising from: (a) any material breach or default by GWC in performing any of its obligations under the provisions of this Agreement or applicable law; or (b) any negligent or intentionally tortious act or omission of GWC or any of its agents, or employees during the Management Agreement Term; or (c) any accident, injury, death or damage whatsoever caused to any person during the Management Agreement Term in or about the Property, which results from or arises out of any default of GWC hereunder or a breach of GWC's covenants regarding operation and use herein contained, and from and against all expenses and liabilities incurred, except insurance deductibles, in connection with any such claim or any action or proceeding brought thereon (including, but by way of example rather than of limitation, the fees of attorneys and experts), all regardless of whether such claim is asserted before or after the expiration of the Management Agreement Term or any earlier termination of this Agreement.

B. By Tribe. The Tribe shall indemnify and hold harmless GWC from and against any and all claims by or on behalf of any person arising from (a) the Tribe's use, occupancy, conduct, operation or management of any portion of the Sky Ute Lodge & Casino, other than those managed by GWC, during the term of this Agreement or (b) any material breach or default by the Tribe in performing any of its obligations under the provisions of this Agreement or applicable law, or (c) any negligent or intentionally tortious act or omission of the Tribe or any of its agents or employees during the Management Agreement Term in or about the Property; and (d) from and against all expenses and liabilities, except for insurance deductibles, incurred in connection with any such claims or any action or proceeding brought thereon (including, but by

way of example rather than of limitation, the fees of attorneys and experts), all regardless of whether such claim is asserted before or after the termination of this Agreement.

## Article 25. MISCELLANEOUS

A. Waiver and Amendment. No provision of this Agreement shall be deemed waived or amended except by a written instrument unambiguously setting forth the matter waived or amended and signed by the party against which enforcement of such waiver or amendment is sought. Waiver of any matter shall not be deemed a waiver of the same or any other matter on any future occasion.

B. Joint Venture. None of the agreements contained herein is intended, nor shall the same be deemed or construed, to create a partnership between the Tribe and GWC, to make them joint venturers, nor to make the Tribe in any way responsible for the debts or losses of GWC or vice versa.

C. Captions. Captions are used through this Agreement for convenience of reference only and shall not be considered in any manner in the construction or interpretation thereof.

D. Construction Generally. This Agreement shall be interpreted and construed in a fair manner without regard to the party which prepared the instrument, the relative bargaining powers of the parties or the domicile of any party.

E. Other Documents. Each of the parties agrees to sign such other and further documents as may be appropriate to carry out the intentions expressed in this Agreement.

F. Attorneys' Fees. In the event of any judicial or other adversarial proceeding between the parties concerning this Agreement, to the extent permitted by law, the prevailing party shall be entitled to recover all of its reasonable attorneys' fees, litigation expenses, and other costs in addition to any other relief to which it may be awarded.

G. Entire Agreement and Incorporation. This Agreement, and any other instruments or agreements referred to herein, constitute the entire agreement between the parties with respect to the subject matter hereof, and there are no other representations, warranties or agreements except as herein provided. Each and every of the recitals set forth in the prefatory unnumbered statements are hereby incorporated as if fully re-written.

H. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

I. Cooperation. The Tribe and GWC agree to cooperate with each other in the attempts to obtain the Gaming Licenses and appropriate agency approvals of this Agreement and agree to execute any documents reasonably requested by the other party required to obtain such licenses and/or approvals.

J. Successors and Assigns. All of the terms, provisions, conditions and covenants of this Agreement shall inure to the benefit of and be binding upon the legal representatives, successors and assigns of the parties hereto, as limited herein.

K. Force Majeure. Neither party to this Agreement will be liable to the other party for delays in performance of this Agreement, or for the direct cost resulting from such delays, that may result from labor strikes, riots, war, extraordinary weather conditions or other natural catastrophe, acts of governmental authorities other than those of the Tribe, or any other cause beyond the reasonable control and contemplation of either party.

L. Tribal Access. GWC will allow the Tribe to enter the Casino and Bingo Hall at any time to inspect the Casino and Bingo operation for compliance with the terms of this Agreement. Such inspection shall be conducted in a manner so as not to interfere with the conduct of Gaming.

M. Charitable Events. The Tribe may elect to utilize the Casino and Bingo Hall for charitable events up to a maximum of five (5) days per year, which days shall not be holidays and shall not be successive. If such an event is held, an amount up to the estimated Net Revenue from that event will be paid over to the charity, the financial records of the Casino and Bingo operation will reflect such payment and it shall not be included in AGP.

N. Revenue Not Generated by Gaming Operations.

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O. Right of First Negotiation. The Tribe shall give written notice to GWC in the event the Tribe desires to open any additional casino gaming facility within the Southern Ute Indian Reservation with management to be provided pursuant to a contract with a management contractor. For a thirty (30) working day period following mailing of the notice, the Tribe shall negotiate with GWC, exclusively and in good faith, to enter into such a contract. If the Tribe and GWC are not able to reach an agreement within the thirty (30) working day period, the Tribe may negotiate and contract with another management contractor.

P. Gifts. GWC shall not give anything of value to any member, employee or agent of the Tribe, except as expressly provided herein by the terms of this Agreement. GWC shall not accept gifts from any member, employee or agent of the Tribe. These prohibitions do not apply to items of insignificant value or promotional items of insignificant value that are distributed without charge to the general public.

Q. Consents. Except as otherwise provided herein, wherever consent of the Tribe or GWC shall be required, such consent shall not be unreasonably withheld.

GWC GAMING, INC.

By: _____
Richard Goeglein

President
Title

Date: 14 Jan. 1995

SOUTHERN UTE INDIAN TRIBE

By: _____
Leonard C. Burch, Chairman
Southern Ute Indian Tribal Council

Date: Jan. 9, 1995

APPROVED:

NATIONAL INDIAN GAMING COMMISSION

By: _____

Title: Chairman NIGC

Date: 4-14-95

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