

## MANAGEMENT AGREEMENT

THIS AGREEMENT is made this 27th day of September, 1994, in the State of California, by and between THE SOBOBA BAND OF MISSION INDIANS ("Tribe"), a federally-recognized Indian Tribe, and CENTURY CASINOS MANAGEMENT, INC. ("Manager"), a Delaware corporation having its principal place of business at 50 S. Steele Street, Suite 755, Denver, CO 80209, with reference to the following:

### RECITALS

A. The Tribe is a federally-recognized Indian Tribe possessing sovereign powers over the Soboba Indian Reservation;

B. The Tribe is the beneficial owner of certain real property known as the Soboba Indian Reservation, located in Riverside County, California;

C. The Tribe has heretofore constructed a building known as the Soboba Bingo Hall ("Facility") which is designed to facilitate the playing of bingo and other games which are currently or may be allowed in the future under state and federal law and as permitted by tribal ordinance, and other social and recreational activities;

D. The Tribe's Bingo Enterprise has been the largest employer on the Soboba Reservation, and has played a vital role in improving the economic conditions of the Tribe and its members;

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F. The Manager possesses the financial resources and has or can obtain the managerial skills and experience necessary to expand, reopen and operate the Tribe's Tribal Gaming Enterprise;

G. Therefore, the Tribe desires to retain Manager's services to manage its Tribal Gaming Enterprise in the Facility. The purpose of this Agreement shall be to establish the rights and obligations of the Tribe and the Manager respecting the operation, management, and maintenance of the Business, as defined in Article I, Section A hereof, pursuant to the terms and conditions set forth herein.

H. The parties have relied upon the foregoing recitals in entering into the following agreement, and said recitals are incorporated into said agreement.

NOW THEREFORE, it is agreed as follows:

ARTICLE I. DEFINITIONS. In addition to any other terms and phrases defined herein, the following terms and phrases shall have the following meanings:

A. Business. "Business" shall mean and refer to the operation, management and maintenance of the Tribal Gaming Enterprise as a facility in which will be operated a restaurant, gift

shops and Bingo and such other related Class II games as the Tribe may allow and are not prohibited under the Indian Gaming Regulatory Act, and Class II card games.

B. Management Committee. "Management Committee" shall mean and refer to the committee, consisting of representatives from the Tribe and Manager established to oversee operation of the Business, as defined and described in Article VI hereof.

C. Gross Revenues. "Gross Revenues" shall mean

D. Operating Expenses.

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E. Net Revenues.

F. Net Profit(s).

G. Secretary. "Secretary" shall mean the Secretary of the Interior or his authorized representative.

H. Commission. "Commission" shall mean the National Indian Gaming Commission established pursuant to the Indian Gaming Regulatory Act.

I. Chairman. "Chairman" shall mean the Chairman of the National Indian Gaming Commission or his authorized representative

J. Gaming. "Gaming" shall mean all forms of gambling which are included within the definitions of Class II and class III gaming under the Indian Gaming Regulatory Act, 25, U.S.C. §§2701, et. seq., as that Act now exists or may be amended in the future and which lawfully may be conducted in California under the provisions of that Act.

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ARTICLE II, ENGAGEMENT OF MANAGER. The Tribe hereby engages Manager to act on behalf of the Tribe in the refurbishment, operation, maintenance and management of the Business upon the terms and conditions set forth herein. It is understood that ultimate authority and responsibility for overseeing the operations of the Business on behalf of the Tribe shall be delegated by the Tribe to its Tribal Council, and that the Tribal Council shall redelegate that authority to the Tribe's three representatives on the Management Committee, as described in Article VI hereof. During the term of this Agreement, the Tribe shall not retain the business services of any other Manager of its Gaming Business, whether in the existing premises or elsewhere,

ARTICLE III, DUTIES AND OBLIGATIONS OF MANAGER. Manager shall have the following duties and obligations:

A. Operation, Management and Maintenance. Manager shall have general responsibility for operating, managing, improving and maintaining the Facility and the Business on a day-to-day basis in accordance with the policies and procedures established by the Management Committee and approved by the Tribal Council.

B. Personnel. Manager, as agent of the Tribe, shall be responsible for the hiring, firing, supervision and administration of all personnel used in connection with operating, managing and maintaining the Business. All personnel involved in the day-to-day operations of the Business shall be employees of the Tribe, and as a precondition to employment in the Business shall possess such Tribal work permits, licenses or other documentation as may be required by the Tribe's gaming ordinance or other provisions of applicable law. In fulfilling Manager's responsibilities hereunder, Manager shall:

1. Personnel List. Within 30 days of the date of this Agreement, Manager shall prepare and present to the Management Committee for review and approval a business organizational chart and a proposed list of all personnel to be used in connection with operating, managing and maintaining the Business. The list shall set forth, for each job category, a job description, the number of employees required, and the approximate compensation level. This information shall be used, among other things, for purposes of establishing the budget described herein. The selection and retention of key employees shall be subject to the continuing approval of the Management Committee, such approval not to be unreasonably withheld.

2. Indian Preference and Compensation. In order to maximize the benefits of the Business to the Tribe, Manager shall place special emphasis on the recruiting, promoting, training and employment of members of the Tribe and other qualified Indians. Ongoing first preference in

employment and promotions shall be given to Tribal members, spouses of Tribal members, and other Indians, provided such persons are qualified for positions available or can be trained for such positions within a reasonable period of time. Compensation levels for employees shall be commercially reasonable, giving consideration to the position involved and rates prevailing for similar positions in the industry. Manager shall make continuing effective efforts to provide on-the-job training and an opportunity for upward mobility in employment for employed members of the Tribe and other Indians. Such efforts shall include a structured program of job advancement which is not unreasonably impaired by the seniority of persons not entitled to employment preference. The order for preference shall be Tribal members, spouses of Tribal members, other Indians and non-Indians, with special preference given to Tribal members employed in the most recent Soboba Reservation Bingo Business.

3. Background Check

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A. , a qualified investigative agency shall be retained by the Tribe to conduct such background investigations of Manager's officers, directors and principal shareholders as may be required to comply with the provisions of IGRA, any Tribal-State compacts to which the Tribe is or may become a party, and other applicable laws; the results of such investigations shall be provided to the Tribal Council, the Chairman and State regulatory agencies entitled to such information under Tribal-State compacts. New officers, directors or principal shareholders of Manager shall be similarly investigated, and shall be subject to the restrictions contained in 25 U.S.C. §2711(e).

B. An initial background investigation adequate to determine honesty and fitness for employment shall be performed by the Tribe about each applicant for employment prior to hiring, and thereafter periodic investigations shall be made of employees to ensure their continuing fitness for employment. No applicant with a felony conviction or ties to organized crime, or one being prosecuted for any crime involving dishonesty, whether it be felony or misdemeanor, shall be employed, except that the Tribe, through its representatives on the Management Committee, shall have the authority and power to waive the prohibition against hiring persons with felony convictions for Tribal Members whom the Tribal Council has determined have been rehabilitated, provided that no such person shall be employed in any supervisory position or may handle or have access to cash or perform security functions. Subject to the provisions of the Tribe's gaming ordinance, which among other things, requires the Tribe to issue licenses for employees and make final determinations of suitability, decisions on employment shall be made by the Management Committee.

4. Personnel Manual. Within 30 days of the date of this Agreement, Manager shall prepare and present to the Management Committee for review and approval a Personnel Manual which sets forth the policies and procedures for the handling of all personnel matters including, without limitation, procedures for handling employee grievances and procedures for appealing employee termination and other disciplinary actions.

5. Training Manual. Within 60 days of the date of this Agreement, Manager shall prepare and present to the Management Committee for review and approval a Training Manual that establishes criteria for and methods of training of personnel employed by the Business, and a projected schedule for fulfilling Manager's obligations under Art. III.B.2 (Indian Preference and Compensation).

6. Bonding. All personnel in the Business occupying positions involving the handling of cash shall be bonded to the extent deemed appropriate by the Management Committee.  
provided,

7. Security Force. As part of the operation of the Business, Manager shall cooperate with and in security matters be subject to the authority of the security force to be established by the Tribe to reasonably assure the safety of customers, personnel, monies and property of the Business, to detect and prevent theft, embezzlement, cheating or other acts of dishonesty by Manager, the Tribe, employees, customers or any other persons, and to prevent the introduction or use of alcoholic beverages or other intoxicating or mind-altering substances on the Soboba Reservation that are not authorized or violate any applicable law or Tribal Ordinance. To the extent that said security force provides security to the Reservation unrelated to the protection and operation of the Business and its premises,

. In the event that the Tribe either fails to establish an adequate security force by the time the Business opens, or affirmatively delegates to Manager the responsibility to establish such a force for the Business, the Manager shall have the authority and responsibility to establish and maintain, on an interim basis, such a force as is reasonably adequate to meet the security needs of the Business, subject to the requirements of Indian preference in hiring and promotion contained in Art. III.B.2. Manager also shall be responsible for complying with reasonable Tribal fire safety requirements, including equipping and otherwise providing and maintaining at the Business premises the same level of fire protection as would be required if the premises were subject to the fire safety laws of the State of California or its subdivisions.

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C. Budget.

1. Prior to commencement of operations, Manager shall present to the Management Committee for review and approval within thirty (30) days after submission a proposed operating budget and business plan which reflects projected Gross Revenues, Operating Expenses, Net Revenues and Net Profit for the first year of operation. Any objection(s) that the Tribe's representatives may have to Manager's proposed budget shall be set forth in writing, together with a statement of reasons and proposed modifications. Manager shall respond in writing to any such objections, and the parties' respective written statements of position shall be the basis for discussion of the issues in the Management Committee; said objections and responses shall be maintained as part of the minutes of the Management Committee's proceedings. It is agreed that operations shall not commence until the proposed operating budget has been approved by the Management Committee.

2. If the Management Committee has not approved an operating budget within thirty (30) days after its submission, the parties shall submit those issues as to which there is disagreement to an arbitrator selected through the American Arbitration Association in Riverside County for expedited determination of the commercial reasonableness of the parties' respective positions. If the arbitrator determines that the Tribal representatives' opposition and suggested alternative is commercially reasonable, the Tribal alternative shall be incorporated into the budget and the budget shall be deemed approved as of the date of the arbitrator's decision. If the arbitrator determines that the Tribal objection and proposed alternative is not commercially reasonable and that Manager's proposal is commercially reasonable, Manager's position on the disputed issue(s) shall be incorporated into the budget and the budget shall be deemed approved as of the date of the arbitrator's decision. There shall be no appeal from the arbitrator's decision, and in either event operation under the budget approved by the arbitrator may commence immediately upon that approval. Once the budget has been approved, Manager shall use its best efforts to adhere to it and shall expeditiously consult with the Management Committee with

respect to any material modifications which may from time to time arise. At least forty-five (45) days prior to the expiration of the first and each ensuing year of operation, manager shall similarly present a proposed operating budget for the upcoming year. In the event of any failure by the Management Committee to agree to or approve a proposed budget, the matter shall be referred to arbitration as provided above. Pending resolution by arbitration, the last approved budget shall be used; provided, however,

D. Recordkeeping and Accounting. Manager shall be responsible for keeping and maintaining books and records of the operation of the Business, providing monthly financial statements and reports with respect to same, providing copies of same to the Management Committee and the Tribe, and otherwise complying with the requirements of this Section. Specifically, Manager shall be responsible for the following:

1. Daily Records. Manager shall at all times maintain, on a computer system at the Facility, daily records of receipts and disbursements of the Business. Copies of daily records shall be delivered to the Tribal Chairperson at the Tribal Office on the next business day, and the Tribal Council shall have access to the computer system to review records of the Business at any time, subject to appropriate safeguards of the security and integrity of the system and the records stored thereon.

2. Other Records. Manager shall maintain, at the Facility, such other books and records as are reasonably appropriate for efficient and effective operation of the Business and all other books and records of Manager which relate to operation of the Business.

3. CPA and Periodic Reports. The Business shall retain an independent certified public accountant ("CPA"), approved by the Management Committee, to prepare and submit to the Management Committee monthly financial statements and reports of business operations, including, without limitation, monthly unaudited and annual audited reports of profits and losses and assets and liabilities. The Tribe shall retain a qualified independent Certified Public Accounting firm to perform an annual independent audit of the Business in compliance with the auditing requirements of IGRA and any Class III compact(s) to which the Tribe may be a party. A copy of the annual independent audit timely shall be provided to the Tribe, Manager, the Chairman and any State agency entitled to receive same.

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4. Accounting Principles. The books and records of the Business shall be kept on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). Manager shall establish and maintain satisfactory accounting systems and procedures that shall, at a minimum: 1) include an adequate system of internal accounting controls; 2) permit the preparation of financial statements in accordance with generally accepted accounting principles; 3) be susceptible to audit; 4) allow the Class II component of the Business, the Tribe and the NIGC to calculate the annual fee under 25 C.F.R. Part 514, §514.1; 5) permit the calculation and payment of the Manager's fee; and 6) provide for the allocation of operating expenses or overhead expenses among the Tribe, the Business, the Manager and any other user of shared facilities and services.

5. Banking. The Tribe shall open, in its sole name at a federally-insured bank or savings and loan institution approved by the Management Committee, and with the Tribal Council retaining sole authority to designate and remove authorized check signers, the following accounts, upon which the signatures of any one of four (4) persons designated by the Tribal Council and any one of four (4) persons nominated by Manager shall jointly be required. Until this Agreement either expires or is terminated, the Tribe shall be obligated to designate four check signers nominated by the Manager. In

the event of the termination of this Agreement for any reason, or upon its expiration, the Tribal Council shall have the immediate and absolute right to remove the Manager's representatives as check signers by submitting to the bank a declaration of the Band's Chairperson, signed under penalty of perjury, that the Agreement has been terminated or has expired, and specifying the effective date of that termination or expiration.

64 a. Cash Receipts. A cash receipts account shall be opened into which all cash receipts of the Business shall be deposited daily,

64 b. Payroll Account. A payroll account shall be opened into which all amounts to be used to meet payroll and payroll withholding and payroll tax obligations shall be deposited.

c. Operating Account. An Operating Account shall be opened into which funds needed to pay the operating expenses of the Business other than payroll and related taxes shall be deposited. (Manager shall have the responsibility of ensuring that all bills and expenses of the Business are timely paid, and shall guarantee payment of all Business bills and expenses incurred during the term of this Agreement. Manager shall indemnify and hold the Tribe harmless for any just bills and expenses of the Business that Manager fails timely to pay.

d. Prize Reserve Account. A Prize Reserve Account shall be opened in which shall be maintained: cash prize fund normally maintained on the Business premises, to pay all prizes being offered to patrons by the Business. The balance in this account necessarily will fluctuate over time as prizes are paid; with

64 e. Other. Anything herein to the contrary notwithstanding, with respect to the above accounts it is expressly agreed as follows: 1) Management Committee approval, not to be unreasonably withheld, shall be required for any expenditure which will result in the budgeted amount for the category of the expenditure; 2) Unless otherwise expressly authorized by the Tribal Council for payments, all checks shall require two signatures, one of which shall be one of the four Tribal check-signers (one of whom shall be present on the premises of the Business or elsewhere on the Reservation while the Business is in operation) and one of which shall be one of the four check-signers designated by the Tribal Council upon nomination by Manager; 3) Once established as set forth above, no account shall be in any way changed or altered except by resolution duly adopted by the Management Committee, except that Manager may request the Tribal Council to change Manager's nominated check signers.

64 6. Cash Management. Subject to oversight by the Management Committee, and under the Tribe's general supervision, Manager shall install and implement a system for cash handling

and management which is designed to prevent, to the greatest extent possible, any theft or skimming of receipts or proceeds. Said systems shall, to the greatest extent practicable, be computerized. An authorized representative of the Tribe shall be entitled to be present any time cash is to be counted. Access to rooms in which cash is stored and/or counted shall be strictly limited and controlled in accordance with policies and procedures approved by the Management Committee.

7. Inspection and Audit of Books and Records. The Tribal Council, Management Committee, the NIGC or the authorized representative(s) of any of those shall have the absolute right to inspect books and records of the Business at any time, provided that such inspection shall be conducted in a manner that minimizes any disruption or interference with operation of the Business. The Tribe shall have the right to conduct unannounced spot audits at any time, provided that such audits are conducted by duly authorized professionals and do not disrupt the operation of the Business;

E. Insurance. Manager shall obtain and maintain such fire, casualty, liability and other insurance coverage, and in such amounts, as may from time to time be approved by the Management Committee, with Manager being named as an additional insured on any casualty or fire policy to the extent of any loan or advance by Manager that has not been repaid. F

To the extent that Manager or the Tribe desires to purchase for its exclusive benefit additional insurance against business interruption or other loss, ;

64 F. Inventory, equipment, etc. Manager shall be responsible for maintaining the Business with such inventory as is intended for sale to customers of the Business;

The Tribe shall be responsible for turning over the Facility to Manager fully equipped and in operational condition, with all furniture, fixtures, equipment and supplies in place, and in a reasonably safe, sanitary and usable condition, as more fully described below.

G. Operations Manual. Within 30 days of the date of this Agreement, Manager shall prepare and submit to the Management Committee for review and approval, an operations manual which establishes the general and specific criteria and methodology for operating the Business.

H. Schedule for Commencement of Operations.

1. Class II Gaming Operations.

a. Renovation and reopening of existing facility for Bingo and Class II card operations.



2. Commencement of Class III gaming activities. The Tribe shall give Manager as much notice as is feasible of the Tribe's intent to authorize Class III gaming activities, and the parties shall cooperate in planning, scheduling and arranging the financing for the modification or expansion of the existing premises of the Business to accommodate such Class III gaming activities as the Tribe may authorize, and for the commencement of such Class III gaming activities; provided that no construction shall commence until the amendments to this contract authorizing Class III gaming have been approved by the Chairman pursuant to Article II herein.

1. Miscellaneous Duties.

Subject to the oversight and with the approval of the Management Committee, Manager shall have the following additional responsibilities and authority:

1. Days and Hours of Operation. Manager shall have the authority to set operating days and hours of operation, provided that such days and hours must be consistent with the Tribe's Gaming Ordinance and any regulations promulgated thereunder.

2. Advertising Budget and Program. Manager shall have the authority and responsibility to set the advertising budget consistent with the budget approved by the Management Committee, and to place advertisements and otherwise implement the advertising program for the Business.

3. Compliance with Internal Revenue Code. Manager shall be responsible for complying with all withholding and reporting requirements imposed upon the Business by the federal Internal Revenue Code, and shall indemnify and hold the Tribe harmless for any failure to fulfill such responsibility.

4. Compliance with National Environmental Policy Act. Manager shall be responsible for producing and providing to the NIGC all information necessary for the NIGC to comply with the regulations of the NIGC issued pursuant to the National Environmental Policy Act.

ARTICLE IV. DUTIES AND OBLIGATIONS OF TRIBE. The Tribe shall have the following duties and obligations:

A. Operation of Facility. The Tribe shall enable Manager to commence operations with the Facility in a reasonably safe, sanitary and usable condition. Repairs and/or renovations needed prior to resumption of operations shall be made as proposed by Manager and approved by the Management Committee,

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B. Operation of Furniture, Etc. The Tribe shall make available for Manager's use in the Business all furniture, fixtures, equipment, supplies, working capital, bank accounts, existing records, etc., of the existing Indian bingo operation in a reasonably safe, sanitary and usable condition. Upon approval of this Agreement, an inventory of all existing equipment and the facilities shall be taken by representatives of both parties. Title to any and all improvements, furniture, equipment and fixtures constructed or installed in the Facility during the period of this Agreement shall vest in the Tribe upon installation or completion, and all materials purchased in connection with such improvements, etc., shall be purchased in the name of the Tribe. Leased equipment shall remain the property of the Lessor of the equipment; however, all leases shall be in the name of the Tribe, and shall require approval by the Tribal Council, unless the Tribal Council delegates approval authority to the Management Committee.

C. Loans Made or Guaranteed by Manager.

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D. Manager's Compensation. The Tribe shall pay and/or ensure the payment of compensation to Manager in the manner provided herein.

E. Cessation. The following provisions shall govern with respect to any cessation of the Business caused by intervening illegality or fire or other casualty.

1. Illegality.

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F. Approvals. In the event that the Tribe enacts an ordinance authorizing and regulating the introduction of alcoholic beverages onto the Soboba Reservation and seeks a license from the State of California authorizing the sale and consumption of alcoholic beverages at the premises of the Business, the sale and consumption of such beverages shall conform to the terms of the Tribe's liquor ordinance and any State license.

G. Tribal Tax or License Fee. To fulfill its regulatory responsibilities under IGRA and any Class III compact(s) to which the Tribe may become a party, the Tribe may require that Manager and key gaming employees obtain Tribal licenses, and that all other employees obtain Tribal work permits. To administer its regulatory scheme, t

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H. Tribal Police Powers.

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4. Class III Gaming. In the event that the Tribe enters into a compact or compacts with the State of California authorizing and regulating Class III gaming on the Soboba Reservation and actually authorizes such Class III gaming on the Soboba Reservation, and provided further that Manager qualifies under said compact(s) to manage the Class III activities authorized thereunder, the Tribe and Manager shall negotiate an amendment to this Agreement : and shall submit said amended Agreement, together with a revised business plan incorporating Class III gaming, to the NIGC for approval.

ARTICLE V. DIVISION AND DISTRIBUTION OF NET REVENUES AND NET PROFITS.

A. Net Revenues.

B. Net Profits.

1. Payment of Principal on Manager's Development and Construction Loan.

2. Minimum Guaranteed Payment to the Tribe.

C. Adjustments.

**ARTICLE VI. MANAGEMENT COMMITTEE.** A Management Committee shall be established and will consist of three (3) representatives appointed by the Tribe's Tribal Council and two (2) representatives appointed by Manager. The Management Committee shall select its own officers. A quorum for meetings and actions by the Management Committee shall be at least three (3) members, at least two (2) of whom shall be Tribal Council representatives. The Management Committee shall meet at least once a month, and more often if necessary, to establish operating policies and procedures, to oversee operations and to ensure that the best interests of the Tribe are fully protected. The Management Committee shall review, approve and oversee the following matters:

- A. Manager's overall performance;
- B. Hiring, firing, supervision and administration of personnel;
- C. The Personnel manual, Training Manual and Operations Manual and Manager's compliance with same;
- D. The Budget, including advertising, Manager's compliance with same and material modifications thereto;

- E. Recordkeeping, and accounting, method and procedures, and Manager's compliance with the requirements thereof;
- F. Selection of one or more federally insured bank or savings and loan institutions to handle accounts of the Business;
- G. Implementation and operation of a cash management system; and
- H. Insurance obtained by Manager.

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ARTICLE VII. INITIAL TERM OF AGREEMENT.

ARTICLE VIII. TERMINATION.

A. Mutual Consent. This Agreement may be terminated at any time upon the written mutual consent of the parties hereto.

B. Material Breach. Either party may terminate this Agreement upon the other party's committing or allowing to be committed any material breach of this Agreement. A material breach shall include, but not be limited to, a party's failure to properly and timely perform any duty or obligation imposed on it under the terms and conditions of this Agreement, including but not limited to failure to make any payments when due under the terms of this Agreement. Neither party may terminate this Agreement on grounds of material breach unless it has first provided written notice to the other party of its intention to declare a default and to terminate this Agreement, and the defaulting party fails to cure or take substantial steps to cure the default within thirty (30) calendar days from receipt of such notice, except in the case of a failure to fulfill a financial obligation, in which case the time to cure shall be five (5) business days from receipt of such notice. The discontinuance or correction of the material breach shall constitute a cure thereof.

C. Termination by the Tribe for Cause. In addition to the general right of the Tribe to terminate for material breach, the Tribe also shall have the right to terminate this Agreement by reason of the following acts or omissions by Manager, and pursuant to the following procedures:

1. Theft. Theft by Manager or any principal, officer, director or employee of Manager committed or knowingly allowed to be committed any act of theft or embezzlement; however,

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upon documentation or other evidence provided by a law enforcement agency, C.P.A. or auditor, was embezzled.

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2. Manager's insolvency.

3. Association with Organized Crime. Because of the importance of avoiding even the appearance of impropriety or dishonesty in the affairs or management of the Business, the identification of Manager by any non-Tribal law enforcement agency as involved in, associated with or influenced or controlled by organized crime, or the filing of any indictment or other criminal charge involving dishonesty against Manager or any principal thereof shall constitute just cause for the immediate suspension of Manager's rights under this Agreement, and conviction or other reliably documented proof of such involvement, association, etc., shall constitute cause for the termination of this Agreement, provided that if Manager contests the proposed termination, any suspension shall continue during the pendency of arbitration proceedings.

4. Suspension or Revocation of License or Registration. Suspension of any gaming license or registration held by Manager from any State or federal gaming regulatory agency shall be sufficient cause for the immediate suspension of Manager's rights under this Agreement. Revocation of any such license or registration shall be sufficient cause for the immediate termination of this Agreement.

5. Willful failure to perform or make payments. If an arbitrator previously has determined that Manager willfully failed to perform a material obligation under this Agreement, or willfully failed to make any payments due to the Tribe hereunder when and in amounts due, and such default was timely cured, a subsequent willful failure either to perform a material obligation or make any payment to the Tribe when and in the amount due shall constitute sufficient cause for the termination of this Agreement.

6. Attempted or actual undue interference with or influence of internal Tribal affairs.

(a). Manager's intentional attempted or actual undue interference with or influence of internal Tribal affairs shall constitute just cause for the suspension and, upon an arbitrator's confirmation of the occurrence of such misconduct, termination of this Agreement. The intent of this subsection is not to trap Manager or provide a pretext for punitive action; rather, its intent is to prevent, to the greatest extent possible, conduct by Manager, its officers, agents and employees that creates or reasonably and objectively gives the appearance of Manager's exercise of undue influence over Tribal decisions and the Tribal decision-making process concerning the election and retention of Tribal officers, Tribal decision-making in general, and gaming in particular. Therefore, before any sanctions may be imposed hereunder, the Tribe shall be required to give Manager written notice, either from the Tribal Chairperson or the Tribal Council, specifying the nature of any alleged improper conduct, the facts upon which the allegation is based, and an order to immediately cease and desist from such conduct and show cause at a specified time and place why appropriate sanctions should not be imposed.

(b). For the purposes of this Agreement, "undue interference with or influence of internal Tribal affairs" shall include the following: 1) giving of any gift to any individual Tribal officer, employee, agent or member with whom Manager or any officer or employee of Manager did not have a preexisting personal relationship prior to June 1, 1992 or who is not related to any officer or

employee of Manager by blood or marriage, with the exception of gifts of nominal value given equally to all members of the Tribe in connection with traditional holidays or birthdays; 2) offering or giving of any bribe, gratuity or undisclosed business opportunity to any individual Tribal officer, agent, employee or member, or any immediate relative or family member of same, except in the ordinary course of hiring or promotion in the operation of the Business; 3) making, paying, co-signing or guaranteeing any loan any Tribal officer, agent, employee or member, or any immediate relative or family member of same; 4) except as requested or approved in advance by the Tribal Council, disseminating to Tribal members or Business employees any information or expressing any opinion about any candidate in a Tribal election or any matter to be considered or actively under consideration by either the Tribal Council or the General Council; 5) threatening any Tribal officer, agent, employee, member or any immediate relative or family member of same, with any adverse consequences, or promising any benefit, whether physical, employment or economic, as the result of any Tribal decision or election, except that Manager may offer its opinion to the Management Committee and, at the specific request of the Tribal Council, to the Tribal Council and/or the General Council, of the probable effect upon the Business of any policy, procedure or other decision by the Management Committee or the Tribe concerning the operation of the Business; 6) any other act or communication that reasonably and objectively would be perceived as intended or likely to influence to Manager's gain or advantage any decision or process of Tribal government. Specifically excluded from the definition of "Undue interference with or influence of internal Tribal affairs" shall be: 1) the participation of Manager's representatives on the Management Committee in the deliberations, discussion and other functioning of the Management Committee; 2) attendance by Manager's officers, directors, employees and agents at public social functions sponsored by the Tribe or at which Tribal officers, agents, employees and members may be present; 3) attendance with and sponsorship of Tribal officers, agents, employees and/or members at conferences, meetings, trade shows and other gatherings pertaining to the functioning of the Business; 4) incidental contact with Tribal officers, agents, employees and/or members in the normal course of Business operations; 5) gifts, donations and/or contributions to the Tribe as a whole, or the establishment or endowment of scholarship or other funds or programs to be administered by the Tribe for the benefit of Tribal members as determined by the Tribe.

D. Commercial Frustration. Manager shall have the right to terminate this Agreement at any time upon thirty (30) days written notice in the event that the Enterprise fails to produce any net distributable profit in any consecutive 12-month time period.

E. Other Cause. Either party may terminate this Agreement for any other material breach.

F. Amounts due to be paid to Manager in case of early termination of this Agreement.

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ARTICLE IX. MISCELLANEOUS PROVISIONS AND AGREEMENTS. The following miscellaneous provisions and agreements are hereby agreed to:

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A. Assignment, Subcontracting, and Encumbrance. Manager may not assign, transfer or subcontract this Agreement or any of Manager's interest, rights or obligations hereunder without the express written consent of the Tribe and the Chairman, which consent shall not be unreasonably withheld, except as follows:

B. Best Efforts. Manager agrees at all times during the pendency of this Agreement to act in good faith and use Manager's best efforts to maximize the profit to be derived by the Tribe hereunder.

C. Relationship. The parties agree that this Agreement shall not in any way be construed to create a relationship of employer-employee or a partnership or joint venture between the Tribe and Manager.

D. Warranties of Cooperation. Manager and the Tribe agree, warrant and represent that each shall not act in any way whatsoever, either directly or indirectly, to cause this Agreement to be altered, amended, modified, canceled or terminated, or attempt to assign or transfer this Agreement or any right to or interest in said agreement, without the consent of the other party or except as expressly authorized herein. Further, Manager and the Tribe warrant and represent that each shall take all actions necessary to insure that this Agreement shall remain in good standing at all times. Manager and the Tribe shall mutually agree on such additional changes to the operational procedures as are not otherwise provided for in this Agreement, but which may become necessary to implement and better develop the revenue and efficiency of the Business.

E. Arbitration.

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F. Attorney's Fees.

G. Notices. Any party giving notice as provided by this Agreement shall send such notice in writing, via prepaid overnight courier service with confirmation of delivery, to the address of the other party as follows:

To the Tribe: Tribal Chairperson  
Soboba Band of Mission Indians  
Post Office Box 487  
San Jacinto, CA 92581

Copy to: Alexander & Karshmer  
2150 Shattuck Avenue, Suite 725  
Berkeley, CA 94704

To Manager: James D. Forbes, President  
Century Casinos Management, Inc.  
50 S. Steele Street, Suite 755  
Denver, CO 80209

Copy to: Dickstein & Merin  
2001 P Street, Suite 100  
Sacramento, CA 95814

Absent proof to the contrary from the courier, notice shall be deemed to have been received on the first business day after delivery to the courier upon which the courier guarantees delivery to the specified address.

H. Entire Agreement. This instrument contains the entire agreement of the parties relating to the rights granted and obligations assumed in this instrument and supersedes any and all other agreements contracts or understandings between the parties. Any oral representation or modifications concerning this instrument shall be of no force or effect unless contained in a subsequent written modification signed by the party to be charged. It is specifically understood that any contract modification made pursuant to Article IX (Q) herein shall be subject to further approval by the Chairperson.

I. Compliance with Laws. Manager shall, in performing its duties and obligations hereunder, ensure that all gaming covered by the contract shall at all times comply with IGRA and all other applicable federal and Tribal laws, regulations and ordinances, from time to time in effect, and State laws, to the extent that State laws are applicable. Said Tribal Laws, regulations and Ordinances shall be presented to the Manager, upon execution and approval of this agreement.

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J. Governing Law.

K. No Payments to Elected Members. By execution of this Agreement, the parties represent and agree that no payments have been made and that no payments will be made to any elected member of the Tribal government of the Tribe, or relative of any elected member of the Tribal government for the purpose of obtaining or maintaining the contract or any other privilege for the contractor. As used herein the term "relative" means individual who is related to an elected member of the Tribal government as a father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister.

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L. Performance Security.

M. Approval by Chairman. This Agreement shall not be in any way effective or binding upon either party until it has been submitted to and approved by the Chairman. As used herein, any reference to the "date of this Agreement" shall be to the date of approval by the Chairman. The Tribe agrees that it shall adopt and pass a resolution authorizing the Tribe to enter into this Agreement, prior to submitting this Agreement to the Chairman for approval. A certified copy of such resolution shall be submitted to the Chairman with the request for approval of this Agreement. Once this Agreement has been approved by the Chairman the following shall apply: Whenever used in this Agreement, the acceptance, consent or approval of the Tribe or the Chairman is required or contemplated, said acceptance, consent or approval shall not be unreasonably withheld.

N. Force Majeure. Whenever during the term of this Agreement either party is prevented from performing or fulfilling its obligations hereunder for any reason(s) not reasonably foreseeable by that party or beyond that party's power to prevent, control or remedy, said party's fulfillment of those of its obligations hereunder that it is prevented from performing or fulfilling by reason of such force majeure shall be excused until such performance or fulfillment no longer is prevented; provided however, that nothing herein shall toll the running of the term of this Agreement. Lack of or inability to obtain sufficient funds to fulfill Manager's obligations shall not excuse Manager's performance of its obligations, and decisions or actions by the Tribe shall be deemed to be beyond Manager's power to prevent, control or remedy.

O. Resolution of Disputes Between Manager and Patrons. Absent any provision to the contrary in the Tribe's Gaming Ordinance or regulations promulgated pursuant thereto, any and all disputes between Manager and patrons of the Business shall be resolved by Manager, with the patron having the right to appeal the resolution to the Management Committee. To the extent that this provision is inconsistent with the provisions of the Tribe's Gaming Ordinance or Regulations, the Ordinance or Regulations shall control.

P. Limitation on Recoupment of Development and Construction Costs. Unless otherwise agreed by the parties and approved by the Chairperson of the NIGC,

Q. Loan Arrangements.

IN WITNESS WHEREOF, the parties have executed this Management Agreement on the date stated hereinbelow.

SOBOBA BAND OF MISSION INDIANS

By: [Signature] Date: 9-28-94 Tribal Chairperson

CENTURY CASINOS MANAGEMENT, INC.

By: [Signature] Date: 9/27/94 Senior Vice President

[Signature] 10/28/94  
Chairman, National Indian Gaming Commission