

FOND DU LAC BAND OF LAKE SUPERIOR CHIPPEWA
GAMING REGULATIONS

Adopted by Resolution #1174/93 of the Fond du Lac Reservation Business Committee, dated June 28, 1993.
Amended by Resolution #1085/96 of the Fond du Lac Reservation Business Committee, dated March 19, 1996.
Amended by Resolution #1363/98 of the Fond du Lac Reservation Business Committee, dated November 10, 1998.
Amended by Resolution #1092/99 of the Fond du Lac Reservation Business Committee, dated April 14, 1999.
Amended by Resolution #1126/99 of the Fond du Lac Reservation Business Committee, dated May 4, 1999.
Amended by Resolutions ##1222/01 and #1224/01 of the Fond du Lac Reservation Business Committee, dated August 9, 2001.
Amended by Resolution #1246/01 of the Fond du Lac Reservation Business Committee, dated August 28, 2001.
Amended by Resolutions ##1167/02 and #1169/02 of the Fond du Lac Reservation Business Committee, dated April 25, 2002.
Amended by Resolution #1248/03 of the Fond du Lac Reservation Business Committee, dated September 4, 2003.
Amended by Resolution #1065/04 of the Fond du Lac Reservation Business Committee, dated March 4, 2004.
Amended by Resolution #1016/09 of the Fond du Lac Reservation Business Committee, dated January 13, 2009.
Amended by Resolution #1041/10 of the Fond du Lac Reservation Business Committee, dated February 2, 2010.
Amended by Resolution #1303/10 of the Fond du Lac Reservation Business Committee, dated September 7, 2010.
Amended by Resolution #1020/11 of the Fond du Lac Reservation Business Committee, dated January 25, 2011.

FOND DU LAC BAND OF LAKE SUPERIOR CHIPPEWA

GAMING REGULATIONS

Table of Contents

Section 1.	Ownership of Gaming Enterprises and Use of Net Revenues from Gaming	1
Section 2.	Authorized Gaming	2
Section 3.	Conduct of Games; Generally	3
Section 4.	Gaming-Related Contractor; Contractor to Hold Band Certificate	4
Section 5.	Management Contracts	7
Section 6.	Criminal and Background Restrictions	10
Section 7.	Records	17
Section 8.	Conflicts of Interest Prohibited	19
Section 9.	Audits	20
Section 10.	Application of Internal Revenue Code of 1986	22
Section 11.	Public Health and Safety	23
Section 12.	Standards for Video Games of Chance	24
Section 13.	Standards for the Game of Blackjack	41
Section 14.	Surveillance	64
Section 15.	Dispute Resolution	65

FOND DU LAC BAND OF LAKE SUPERIOR CHIPPEWA

GAMING REGULATIONS

SECTION 1. OWNERSHIP OF GAMING ENTERPRISES AND USE OF NET REVENUES FROM GAMING.

- 1.1 The Band shall have the sole proprietary interest in and responsibility for the conduct of any gaming operation within its jurisdiction. No individually owned gaming shall be permitted under these Regulations.
- 1.2 Net revenues from any gaming enterprise under these regulations shall be paid to the Band, and allocated under the Band's budgeting mechanism to fund tribal government operations or programs, to provide for the general welfare of the Band and its members, to promote Band economic development, to donate to charitable organizations, and/or to help fund operations of local government agencies.

SECTION 2. AUTHORIZED GAMING.

- 2.1 Class I games may be permitted, and may include social games played solely for prizes of minimal value, and traditional forms of Indian gaming engaged in as part of tribal ceremonies, celebrations or pow-wows.

- 2.2 Class II games may be offered to the public, under the provisions of Section 11(b) of the Indian Gaming Regulatory Act of 1988, the Fond du Lac Gaming Ordinance, and these regulations. Class II games include bingo, lotto, paddlewheel, pull-tabs, raffle, tipboard, tip jars, and other games of chance where a designated winning number or numbers, color or colors, symbol or symbols are determined by chance, or non-banking card games which are played in conformity with Minnesota law regarding hours or periods of operation and limitations on wagers or pot sizes, and in conformity with the National Indian Gaming Commission Minimum Internal Control Standards as set forth in the Minimum Internal Control Standards adopted by the Fond du Lac Band of Lake Superior Chippewa.

- 2.3 The following Class III games may be offered to the public, under the provision of Section 11(d) of the Indian Gaming Regulatory Act of 1988, the Fond du Lac Gaming Ordinance, and the Video Games and Blackjack Tribal-State Compacts between the Fond du Lac Band of Lake Superior Chippewa and the State of Minnesota, and these regulations:
 - 2.3.1 Electronic games of chance with video facsimile displays;

 - 2.3.2 Blackjack.

SECTION 3. CONDUCT OF GAMES; GENERALLY

- 3.1 No person under eighteen (18) years of age may play any Class II or Class III game of chance. If any person below the age of 18 plays and otherwise qualifies for a prize or winnings, the prize or winnings shall not be paid and the estimated amount wagered during the course of the game shall be returned to the minor.
- 3.2 No person under eighteen (18) years of age may be employed in the conduct of Class II or Class III gaming, or in any other capacity at a gaming operation.
- 3.3 No person who is visibly intoxicated shall be permitted to play any Class II or Class III game.
- 3.4 All gaming shall be conducted on a cash basis. Except as herein provided, no person shall be extended credit for gaming by any Band gaming facility, nor shall any other person offer such credit for a fee. This section shall not restrict the installation or acceptance of bank card or credit card transactions in the same manner as would normally be permitted at any retail business within the State of Minnesota.
- 3.5 Rules governing the impartial resolution of a player dispute concerning the conduct of a game, which appear at section 15 of these Regulations shall be made available to customers upon request.
- 3.6. Alcoholic beverages may be served at locations where Class II or Class III games are played.

SECTION 4. GAMING-RELATED CONTRACTOR; CONTRACTOR TO HOLD BAND CERTIFICATE

- 4.1 "Gaming-related Contract" means any agreement under which the Band's gaming enterprise procures for Class II or Class III gaming materials, supplies, equipment, or services which are unique to the operation of gaming and not common to ordinary Band governmental operations (such as accounting or legal services); the term includes, but is not limited to:
- 4.1.1 Management contracts.
 - 4.1.2 Management consultation services regarding the administration, supervision, or training of one or more functions related to gaming management or operations.
 - 4.1.3 Contract security services.
 - 4.1.4 Prize payout agreements or annuity contracts.
 - 4.1.5 Procurement (including lease) of materials, supplies, equipment, or services involving marketing, maintenance, or repair of gaming-related equipment, tickets and other gaming supplies or materials, the receiving or recording of a player's gaming selections or wagers, and the determination of winners.
- 4.2 The enterprise shall not enter or maintain a gaming-related contract for the purchase, maintenance or services related to video gaming equipment involving total consideration exceeding ten thousand dollars (\$10,000.00) in any year with any person unless that person holds a Certificate issued by the Band pursuant to section 4.5 of these regulations.
- 4.3 No person may enter or maintain a gaming-related contract with the Band's gaming enterprise for the purchase, maintenance or services related to video gaming equipment involving total consideration exceeding ten thousand dollars (\$10,000.00) in any year unless the person holds a Certificate issued

by the Band pursuant to section 4.5 of these regulations.

4.4 The enterprise shall include the following provisions in any gaming-related contract:

4.4.1 The contract shall be terminated if, during the term of the contract or any extension thereof, the person's Certificate under this section is revoked by the Band.

4.4.2 The contract is subject to the provisions of the Band ordinances and federal law.

4.4.3 A Certificate issued by the Band shall not constitute a property interest under state or federal law.

4.5 Band Certification. The Band shall issue a certificate to gaming related contractors and for purposes of licensing manufacturers of video gaming equipment and distributors of video gaming equipment who hold valid licenses as manufacturers or distributors in any of the States of Minnesota, New Jersey, Nevada and South Dakota.

4.5.1 An entity or person seeking certification shall submit evidence to the Band of all jurisdictions within which it is incorporated licensed, certified or holds a permit.

4.5.2 Upon review of the evidence and any additional information which may be requested by the Band, the Band shall issue a certificate which shall be affective for one year commencing January 1 of each year.

4.5.3 In the event that any jurisdiction suspends, revokes, or refuses to renew a license of an entity certified by the Band, the Band shall accept that jurisdiction's determination and shall require the suspension, revocation, or non-renewal of the certificate issued by the Band.

4.5.4 In the event that gaming related contractors may not be required to be

licensed by any jurisdiction they must comply with and supply all information required pursuant to the Fond du Lac Business License Ordinance. Upon review and acceptance of this information and any other additional information which may be requested by the Band the Band will issue a gaming related contractor certificate.

4.5.5 Fee. All entities or persons seeking certificates under this section shall pay an amount of \$50.00.

SECTION 5. MANAGEMENT CONTRACTS

- 5.1 Subject to the Indian Gaming Regulatory Act, 25 USC § 2701 et. seq. and these Regulations, the Band may enter into a management contract for the operation and management of the Band's gaming enterprise. Before approving any management contract, after the effective date of these Regulations, the Band shall require that such contracts contain the provisions required by 25 C.F.R. Part 531, and shall supply to the Chairman of the National Indian Gaming Commission the information required by 25 C.F.R. Part 533, shall require that the management contract not be effective unless approved by Chairman of the National Indian Gaming Commission. The proposed contractor shall submit the following information to the Band prior to it's approval of the proposed contract:
- 5.1.1 The name, address, and other additional pertinent background information on each person or entity (including individuals comprising such entity) having a direct financial interest in, or management responsibility for, such contract, and, in the case of a corporation, those individuals who serve on the board of directors of such corporation and each of its stockholders who hold (directly or indirectly) ten percent (10%) or more of its issued and outstanding stock;
- 5.1.2 A description of any previous experience that each person listed pursuant to paragraph 1. has had with other gaming contracts with Indian Communities or with the gaming industry generally, including specifically the name and address of any licensing or regulatory agency which has issued the person a license or permit relating to gaming or with which such person has had a contract relating to gaming;
- 5.1.3 A complete financial statement of each person listed pursuant to paragraph 5.1.1.; and
- 5.2 Any person listed pursuant to subsection 5.1.1 shall be required to respond under oath to such

written or oral questions that the Band or the Indian Gaming Regulatory Commission may propound.

5.3 Each management contract entered into by the Band shall provide:

5.3.1 For adequate accounting procedures that are maintained, and for verifiable financial reports that are prepared, by or for the Band's governing body on a monthly basis;

5.3.2 For access to the daily operations of the gaming activities to appropriate officials of the Band, the Indian Gaming Regulatory Commission, and the Minnesota Department of Public Safety;

5.3.3 For a minimum guaranteed payment to the Band, that has preference over the retirement of development and construction costs;

5.3.4 For an agreed ceiling for the repayment of development and construction costs;

5.3.5 For a contract term not to exceed five (5) years, except that the Band may approve a contract term that exceeds five (5) years but does not exceed seven (7) years if, the Band is satisfied that the capital investment required, and the income projections, for the particular gaming activity require the additional time;

5.3.6. For a complete, detailed specification of all compensation to the Contractor under the contract; and

5.3.7 For grounds and mechanisms for terminating such contract, including summary termination upon revocation of the management contractor's Certificate.

5.6 The Band may approve a management contract providing for a fee based upon a percentage of the net revenues of a Band gaming activity, which shall not exceed thirty percent (30%), unless the Band, determines that the capital investment required, and income projections, for such gaming activity,

require an additional fee, which in no event shall exceed forty percent (40%) of net revenues of such gaming activity. A contract providing for a fee based upon a percentage of net revenues shall include a provision describing in detail how net revenues will be determined.

SECTION 6. CRIMINAL AND BACKGROUND RESTRICTIONS

- 6.1 No person may be employed by the Band in the operation or conduct of Class II or Class III gaming, and the Band shall not permit a gaming related contractor to employ any person in the course of performance under the contract, if that person:
- 6.1.1 Has been convicted of, or entered a plea of guilty or no contest to, any of the following, unless the person has been pardoned:
 - 6.1.1.1 A felony or gross misdemeanor, other than a felony or gross misdemeanor conviction for an offense under subdivision 6.1.1.2, or 6.1.1.3, during the immediately preceding five (5) years.
 - 6.1.1.2 Any gambling-related offense.
 - 6.1.1.3 Fraud or misrepresentation in any connection.
 - 6.1.2 Has been determined by the Band to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, or activities in the operation of gaming or the carrying on of the business and financial arrangements incidental thereto.
- 6.2 The restriction in paragraph 6.1.1 shall not disqualify an applicant or employee if the Reservation Business Committee waives such restriction by resolution after the applicant or employee has demonstrated to the Reservation Business Committee evidence of sufficient rehabilitation and present fitness.
- 6.2.1 The individual applicant seeking a waiver shall petition the Reservation Business Committee and within said petition

provide information which would demonstrate rehabilitation and present fitness. This information shall include but is not limited to: (i) Charging Documents; (ii) Pre-Sentence reports; (iii) Probation or Parole reports including any and all conditions established by the court; (iv) Detailed employment history with references; (v) Financial statements including credit report; (vi) Character references.

- 6.2.2 The Reservation Business Committee, upon receipt of the Petition including the information describing the petitioners rehabilitation and fitness shall either schedule a hearing on the petition or make its determination based upon the papers as submitted.
- 6.2.3 The review of such Petitions by the Reservation Business Committee is discretionary. The decision of the Reservation Business Committee shall be final.
- 6.2.4 A waiver granted by the Reservation Business Committee under this section shall extend to future licensure of the applicant for the class of license applied for, but shall be immediately invalidated if the applicant has failed to disclose prohibitive convictions which existed prior to the waiver, or if the applicant is subject to subsequent prohibitive convictions.
- 6.3 The Band shall have primary responsibility for the investigations and determinations under this section, and shall retain for a period of at least five (5) years, all records relating to such investigations and determinations.
- 6.4 No person shall be employed by the Band as a Primary Management Official or a Key Employee unless they have received from the Band a provisional or permanent Class A License. All persons currently employed and licensed by the Band shall be subject to and submit all information required under these regulations.

6.4.1 "Primary Management Official" shall mean (i) the person having management responsibility for a management contract, and (ii) any person who has authority to hire and fire employees, or to set up working policy for a gaming operation, and (iii) the chief financial officer or other person who has financial management responsibility for a gaming operation.

6.4.2 "Key Employee" shall mean a person, whether an employee or an independent contractor, who performs one or more of the following functions: (i) Bingo caller, (ii) counting room supervisor, (iii) chief of security, (iv) custodian of gaming supplies or cash, (v) floor manager, (vi) pit boss, (vii) dealer, (viii) croupier, (ix) approver of credit, (x) custodian of gambling devices, including persons with access to cash and accounting records within such devices, (xi) any person whose total cash compensation exceeds \$50,000.00 per year, and (xii) the four most highly compensated persons in a gaming operation; (xiii) controller; (xiv) operations director; (xv) marketing director; (xvi) executive director; (xvii) any security personnel; (xviii) any accounting personnel; (xix) any internal auditing personnel; (xx) any purchasing personnel; (xxi) any shift manager; (xxii) any cashier; (xxiii) any inventory personnel; (xxiv) bingo supervisor; (xxv) floor manager; (xxvi) any slot technicians; (xxvii) table dealer; (xxviii) any table floor personnel; and (xxix) all surveillance staff.

6.4.3 Each person seeking a Class A License from the Band shall complete the application form appearing at Appendix A of these Regulations.

6.4.3.1 If, upon receiving a completed application for a Class A License, the Band employs the applicant, the Band shall immediately (i) furnish a copy

of the completed application to the National Indian Gaming Commission, (ii) issue to the applicant a provisional Class A license, in the form contained at Appendix A-1 of these Regulations, for a period not to exceed ninety days, (iii) furnish a copy of the completed form to the National Indian Gaming Commission, in accordance with the requirements of 25 C.F.R. §§ 556.5 and 558.3, and (iv) furnish a copy of the completed form to the State of Minnesota with the request that a background investigation be performed on the applicant, in accordance with an agreement between the State of Minnesota and the Band.

6.4.3.2 The Band shall immediately terminate any provisional Class A License issued under this section if the Band receives reliable information, either from the National Indian Gaming Commission or the State of Minnesota or from any other source, that the applicant does not meet the standards established in Section 6.1 of these Regulations.

6.4.3.3 Upon receiving the results of the background investigation from the State of Minnesota, the Band shall decide whether the applicant is qualified for a permanent Class A License under the provisions of Section 6.1 of these Regulations. The Band then shall forward a copy of the results of the background investigation, together with a copy of the Band's determination, to the National Indian Gaming Commission; and the Band shall

notify the applicant of its determination, and if the applicant has been determined to be eligible, shall issue a Class A License in the form contained in Appendix A-2 of these Regulations.

6.4.3.4 The Band shall immediately suspend any Class A License or provisional Class A License issued under this section if it is directed to do so by the National Indian Gaming Commission under the provisions of 25 C.F.R. § 558.5. Following such suspension, the Band promptly shall establish the time and place for a hearing on the proposed revocation of the license, and shall notify the provisional licensee of the same. The licensee shall be informed of the basis upon which his or her license is proposed to be revoked, and at the hearing he or she shall be permitted representation by legal counsel, and shall be permitted to present evidence and witnesses, and to cross examine witnesses who testify against him or her. The Band shall notify the licensee and the National Indian Gaming Commission of its decision with respect to the license revocation.

6.4.4 Pursuant to Section 5 of the Video and Blackjack Compacts no person shall be employed by the Band in any Class III Gaming Operation unless they have received from the Band a provisional or permanent Class B License. The provisions of this section shall not apply to Primary Management Officials and Key Employees holding provisional or permanent Class A Licenses. Each person seeking a Class B License from the Band

shall complete the application form appearing at Appendix A of these Regulations.

6.4.4.1 If, upon receiving a completed application for a Class B License, the Band employs the applicant, the Band shall immediately (i) issue to the applicant a provisional Class B license, in the form contained at Appendix A-3 of these Regulations, for a period not to exceed ninety days, and (ii) furnish a copy of the completed form to the State of Minnesota with the request that a background investigation be performed on the applicant, in accordance with an agreement between the State of Minnesota and the Band.

6.4.4.2 The Band shall immediately terminate any provisional Class B license issued under this section if the Band receives reliable information, either from the National Indian Gaming Commission or the State of Minnesota or from any other source, that the applicant does not meet the standards established in Section 6.1 of these Regulations.

6.4.4.3 Upon receiving the results of the background investigation from the State of Minnesota, the Band shall decide whether the applicant is qualified for a permanent Class B License under the provisions of Section 6.1 of these Regulations. The Band shall notify the applicant of its determination, and if the applicant has been determined to be eligible, shall issue a Class B License in the form contained in

- 6.4.5 Persons employed in non-gaming related positions shall be subject to background investigation, and shall receive a Class C license if eligible under Section 6.1.2 of this Chapter. A "non-gaming related position", for the purposes of this section, shall include employees who are not directly involved in the conduct of the gaming operation, such as those employees who serve as janitors, food service workers, maintenance workers, groundskeepers, or customer service representatives and hospitality personnel whose duties do not involve substantial contact with customers or Class A or B employees on the gaming floor.
- 6.4.6 Persons subject to this section shall be reviewed annually to determine whether they continue to meet the requirements and limitations of this section.
- 6.4.7 The enterprise shall reimburse the Minnesota Department of Public Safety for the Department's actual costs of compiling criminal history data released to the Band.
- 6.5 No person employed by the Band in the Surveillance Department shall be transferred to an operations-related position while employed, and no person shall be licensed for employment in an operations-related position for a period of at least one year following that person's termination or discharge from a position in the Surveillance Department. For the purposes of this subsection, an "operations-related position" shall mean any Class A or Class B-licensed position within a gaming facility, other than positions in the Surveillance, Management Information Systems (MIS), Internal Audit, Accounting or Human Resources departments.
- 6.6 Temporary Licensure. An employee who is currently licensed but has lost or misplaced his or her license may receive a temporary employment license by the Band through the Supervisory Surveillance Officer as follows:

6.6.1 If the Gaming Employment Licensing Office is open on the following calendar day, the term of the license shall not exceed one day.

6.6.2 If the Gaming Employment Licensing Office is not open on the following calendar day, the term of the license shall not exceed the number of days until the next calendar day that the Gaming Employment Licensing Office is open.

An employee shall not be eligible for two consecutive temporary licenses, but shall obtain a replacement license from the Gaming Employment Licensing Office at his or her own expense on the first day that the Gaming Employment Licensing Office is open following the loss or misplacement of the employee's regular license. The temporary license must be turned into the Gaming Employment Licensing Office in order to receive a replacement license.

Immediately upon issuing a temporary license, the Supervisory Surveillance Officer shall ensure the removal of the access code number of the employee's lost license from the Casino's electronic security system.

6.7 Display of License. Each employee is required to display his or her gaming employment license in plain view clipped in a stationary manner to the upper torso on the outside of the employee's uniform. No part of the license shall be altered or obstructed from view.

6.8 Background Investigation of Gaming Vendors. Prior to the issuance of a business license or gaming distributor license to any gaming vendor, the Band shall perform a background investigation of the vendor which shall include, at minimum, the following: (a) verification of the business' incorporation status; (b) review of the business' credit history; (c) contacting each of the references listed in the vendor's application; and (d) conducting an investigation of the principals of the business, including a criminal history check, a credit report, and interviews with the personal references listed. In completing this investigation, the Band may rely upon information obtained through other state or tribal regulatory or licensing agencies.

6.9

Criminal History Investigation of Employees of Gaming Vendors. Each employee performing on-site services under a gaming-related contract shall be required to complete a "Gaming Vendor Employee Background Information and Consent", which shall provide sufficient information to enable the Band to conduct a personal criminal history check on such employee prior to the employee's access to any proprietary portion of the Band's gaming operations. In completing this investigation, the Band may rely upon information obtained through other state or tribal regulatory or licensing agencies. Upon the satisfactory completion of the criminal history check, the Band may issue a site-specific work permit to the employee for the scope and duration of that employee's services under that particular contract.

SECTION 7. RECORDS

- 7.1 The Band shall also maintain, and the State of Minnesota shall have the right to inspect and copy, at costs to the State, the following records related to Class III gaming for at least five (5) years after the record is created:
- 7.1.1 All accounting records, which shall be kept on a double entry system of accounting, including detailed, supporting, and subsidiary records.
 - 7.1.2 Revenues, expenses, assets, liabilities, and equity by game at each location where any component of Class III gaming is conducted.
 - 7.1.3 Daily cash transactions for each game at each operation at which any component of Class III gaming is conducted, including but not limited to transactions relating to each gaming table bank, game drop box and gaming room bank.
 - 7.1.4 For electronic games of chance, analytic reports which, by each machine, compare actual hold percentages to theoretical hold percentages.
 - 7.1.5 Contracts, correspondence, and other transaction documents relating to all vendors and contractors.
 - 7.1.6 Records of all Band enforcement activities relating to gaming operated under these regulations.
 - 7.1.7 All audits prepared by or on behalf of the Band for its Class III activities.
 - 7.1.8 Personnel information on all Class III gaming employees or agents, including complete sets of each employee's fingerprints, employee photographs, and employee profiles and background investigations, except that employee work schedules shall be maintained for a period of at least two (2) years. This provision shall not include personnel

records of tribal members as to matters that are not related to gaming.

7.1.9 Records of background investigations and determinations under section 6 of these regulations.

7.2 Confidentiality of Band gaming records.

7.2.1 No Band records or documents submitted to the State, or of which the State has retained copies in the course of its gaming oversight and enforcement, will be disclosed to any member of the public except as needed in a judicial proceeding to interpret or enforce the terms of these regulations.

SECTION 8. CONFLICTS OF INTEREST PROHIBITED

8.1 No person employed by the Band in the conduct of gaming under these regulations may have a direct or indirect interest in, or be employed by, any person who has entered a gaming-related contract with the Band.

SECTION 9. AUDITS

9.1 Financial Audit. At the close of each fiscal year (commencing with the current Band fiscal year), the Band shall engage one or more independent certified public accountants to audit the books and records of all gaming operations conducted under these regulations. The audit shall be completed within one hundred twenty (120) days after the close of the fiscal year.

9.1.1 Class II Audit. Upon completion of the audit the Band shall forward copies of any audit reports and management letters pertaining to its Class II activities to the Indian Gaming Regulatory Commission.

9.1.2 Class III Audit. Upon written request the Band shall forward copies of the audit of blackjack and video activities and all current internal accounting and audit procedures to the State of Minnesota Department of Public Safety. The Band shall permit the State to consult with the auditors before and after any audits or periodic checks on procedures which may be conducted by the auditors, and shall allow the State to submit written or oral comments or suggestions for improvements regarding the accounting and audit procedures. Within 30 days of the receipt of any written or oral comments, the Band shall: (i) accept the comments and modify the procedures accordingly; or (ii) respond to the comments with counterproposals or amendments. The state shall pay for any additional work performed by the auditors at the request of the State.

9.2. Security Audit. Commencing with the 1994 Band fiscal year and at least once every two (2) years thereafter, the Band shall engage a qualified independent auditor to conduct a security audit. The audit shall be completed within 120 days. The purpose of the security audit shall be to review and evaluate the effectiveness, adequacy, and enforcement of at least the following:

9.2.1 Physical systems and administrative policies and procedures controlling

access to non-public offices, warehouses, and computer rooms relating to the conduct of gaming.

- 9.2.2 Physical systems and administrative policies and procedures for handling cash and for redemption of winning tickets or credit statements issued by electronic games of chance from their receipt by the Band to payment of the player, including procedures for receiving and routing incoming prize claims.
- 9.2.3 Policies, procedures, and practices to prevent theft, loss, or destruction of materials, equipment, or supplies associated with any of the games authorized by these regulations.
- 9.2.4 Policies, procedures, and practices to ensure the randomness, accuracy, integrity, and reliability of games operated pursuant to these regulations.
- 9.2.5 Fitness and integrity of computer software utilized for financial accounting and conduct of gaming under these regulations.

9.3 Engagement of Auditors.

- 9.3.1 The Band shall engage auditors experienced in auditing gaming who shall perform the audit in conformity with the most current edition of "Accounting and Audit Guide--Casinos," published by the American Institute of Certified Public Accountants.

SECTION 10. APPLICATION OF INTERNAL REVENUE CODE OF 1986

- 10.1 The Band shall pursuant to the provisions of the Internal Revenue Service Code of 1986 (including sections 1441, 3402(q), 6041, and 6050I, and Chapter 35 of such Code) implement the requirements of said provisions within its gaming operations concerning the reporting and withholding of taxes with respect to the customer winnings from all gaming or wagering operations.

SECTION 11. PUBLIC HEALTH AND SAFETY

- 11.1 The Band shall construct, maintain, and operate a gaming facility in a manner that adequately protects the environment and the public health and safety.

- 11.2 The Band shall engage a state certified inspector to conduct inspections of all facilities for Class II and Class III gaming on a periodic basis, but not less than annually, and shall promptly repair or correct any and all instances of non-compliance with the requirements of this section and related Band Ordinances. An inspection report shall be prepared by the inspector in connection with each inspection and copies of said reports shall be forwarded to the Band.

SECTION 12. STANDARDS FOR VIDEO GAMES OF CHANCE

- 12.1 Testing and Approval of Video Games of Chance. No video game of chance may be purchased, leased or otherwise acquired by the enterprise unless:
- 12.1.1 The video game of chance is purchased, leased, or acquired from a manufacturer or distributor licensed to sell, lease, or distribute electronic games of chance by the Band pursuant to Section 4.5 of these regulations; and
 - 12.1.2 The video game of chance, or a prototype thereof, has been tested, approved, or certified by a gaming test laboratory as meeting the requirements and standards of these regulations. For purposes of these regulations, a gaming test laboratory is a laboratory agreed to and designated in writing by the State Commissioner of Public Safety and the Band as competent and qualified to conduct scientific tests and evaluations of video games of chance and related equipment. A laboratory operated by or under contract with the states of Minnesota, or Nevada, or New Jersey, or South Dakota constitutes a designated gaming test laboratory.
- 12.2 Application for Approval of Prototype Video Game of Chance. The manufacturer shall provide to the gaming test laboratory two (2) copies of video game of chance illustrations, schematics, block diagrams, circuit analyses, technical and operation manuals, program object and source codes and hexadecimal dumps (the compiled computer program represented in base 16 format) and any other information requested by the gaming test laboratory.
- 12.3 Testing of Video Game of Chance. If required by the gaming test laboratory, the manufacturer shall transport not more than two (2) working models of the video game of chance and related equipment to a location designated by the laboratory for testing, examination, and analysis. The manufacturer shall pay for any and all costs for the transportation, testing, examination, and analysis. The testing, examination, and analysis may include the entire dismantling of the video games of chance and

related equipment and some tests may result in damage or destruction to one or more electronic components of the devices. If required by the laboratory, the manufacturer shall provide specialized equipment or the services of an independent technical expert to assist with the testing, examination, and analysis.

12.4 Report of Test Results. At the conclusion of each test, the laboratory shall provide to the State and the Band a report that contains findings, conclusions, and a determination that the video game of chance and related equipment conforms or fails to conform to the technical requirements and standards set forth in these regulations. If modifications can be made which would bring the video game or related equipment into compliance, the report may contain recommendations for such modifications.

12.5 Modifications of Approved Video Games of Chance. The manufacturer or distributor shall assemble and install all video games of chance and related equipment in a manner approved and licensed by the Band. No modification to the assembly or operational functions of any video game of chance or related equipment may be made after testing and installation unless a gaming test laboratory certifies to the State and the Band that the modified video games of chance conform to the standards of these regulations. All proposed modifications shall be described in a written request made to the State, the gaming test laboratory, and the Band, which contains information describing the modification, the reason therefor and all documentation required by the laboratory. In emergency situations where modifications are necessary to prevent cheating or malfunction, the laboratory may grant temporary certification of the modifications for up to fifteen (15) days pending compliance with this section.

12.6 Conformity to Technical Standards. The manufacturer or distributor shall certify, in writing, to the Band and to the State that, upon installation, each video game of chance placed in a gaming facility within the Reservation:

12.6.1 The video game conforms precisely to the exact specifications of the video game

of chance prototype tested and approved by the gaming test laboratory; and

12.6.2 The video game operates and plays in accordance with the technical standards set forth in these regulations.

12.7 Information to be Provided. Notwithstanding any other requirements in these regulations, prior to the installation of any video game of chance acquired by the Band the manufacturer or distributor shall provide to the State:

12.7.1 A list of all states in which the distributor or manufacturer from who the video games of chance were acquired or leased is licensed, the license numbers (if license numbers are issued) and operative dates of the license(s); and

12.7.2 Identification numbers or codes for each video game of chance placed on the reservation.

12.8 Hardware Requirements for Video Games of Chance. Notwithstanding any other requirements in these regulations video games of chance operated within the reservation shall be licensed by the Band. To be licensed, each such game must meet the following specifications:

12.8.1 No Physical Hazard. Electrical and mechanical parts and design principals may not subject a player to any physical hazards.

12.8.2 Surge Protector. A surge protector must be installed for all power which is fed to the device.

12.8.3 Battery Back-up. A battery back-up, or an equivalent, for the electronic meters must be capable of maintaining accurate readings for one hundred eighty (180) days after power is discontinued from the device for all information regarding:

12.8.3.1 Current and total tallies of amounts wagered and paid out;

- 12.8.3.2 Records of access to the logic board compartment;
- 12.8.3.3 Records of access to the cash and coin compartment; and
- 12.8.3.4 Such other data as may be required by these regulations.

The back-up device shall be located within the locked logic board compartment and shall not be accessible to the manufacturer or distributor after the initial installation of the equipment.

- 12.8.4 Power Switch. A power switch must be located in an accessible place within the interior of the game which controls the electrical current used in the operation of the game.
- 12.8.5 Resistance to Electromagnetic Interference. The operation of the video game of chance, including the coin drop and other such component parts, must not be adversely affected by static discharge, radio frequency interference, or other electromagnetic interference.
- 12.8.6 Approved Coin and Bill Acceptors. At least one (1) electronic or mechanical coin acceptor must be installed in or on each electronic game of chance. The devices may also contain bill acceptors, or cashless ticket acceptor/dispensers for denominations determined by the Band. Prior to operation, all models of coin, bill, and cashless ticket acceptor/dispensers installed must have been tested and approved in writing by a gaming test laboratory as provided in Section 12.
- 12.8.7 Secure Cabinets. The internal space of the video game of chance shall not be readily accessible when the door is closed and sealed.

- 12.8.8 Secure Electronic Components. Logic Boards and software Electronically Programmable Read Only Memory Chips (hereinafter EPROMS) and other logic control components shall be located in a separate compartment within the video game of chance and that compartment shall be locked with a different key or combination than that used for the main cabinet door.
- 12.8.9 Secure Cash Compartment. The coins and currency compartment shall be secured with different key or combination than that used for the main cabinet door, except that a separate cash compartment shall not be required for coins necessary to pay prizes in a machine which pays prizes through a drop hopper or a machine that accepts cashless tickets and issues cashless tickets.
- 12.8.10 No Hardware Modification of Pay Tables or Payouts. No hardware switches (DIP Switches) may be installed which alter the pay tables or payout percentages for the game.
- 12.8.11 Printed Record of Credits and Payouts Required. A single printing mechanism which must be capable of printing an original ticket and retaining an exact legible copy, either within the game or in a slot management/reporting system approved by the gaming test laboratory, that provides permanent sequential tracking, and which permits monitoring of error conditions on a printed medium for future use, and which records the following information: (a) the number of credits; (b) the value of the credits in dollars and cents (c) the cash paid by the device; and (d) any other data required by these regulations. Video games of chance utilizing coin drop hoppers and that accept cashless tickets and issue cashless tickets are permitted, provided they are monitored by a slot management/reporting system of the type described in this paragraph which has

been approved by an independent gaming test laboratory.

12.8.11A Technical Standards for Gaming Devices that Accept Coin, Currency, or Cashless Tickets and Issue Cashless Tickets.

12.8.11A.1 Cashless Gaming Devices.
The following technical standards are applicable for gaming devices that accept coin, currency, or cashless tickets and issue cashless tickets. Cashless gaming devices and the associated equipment must be tested and approved by a gaming test laboratory. Prior to public play on a cashless ticket gaming device, the State of Minnesota, through its Commissioner of Public Safety will test and certify the gaming device.

12.8.11A.2 Credit Redemption.
Available credits may be collected from the gaming device by the player pressing the "COLLECT" button at any time other than during: (A) A game being played; (B) Audit mode; (C) Any door open; (D) Test mode; (E) A Credit Meter or Win Meter incrementation, unless the entire amount is placed on the meters when the collect button is pressed; or (F) An error condition.

12.8.11A.3 Cancel Credit. If credits are collected, and the total credit value is greater than or equal to a specific limit

(e.g. Printer Limit for printer games), the game shall lock up until the credits have been paid, and the handpay is cleared by an attendant.

12.8.11A.4

Printers. The printer shall print on a ticket and provide the data to an on-line data system that records the following information regarding each payout ticket printed. The information listed below can be obtained from the gaming device, validation terminal, the on-line data management system or other means: (A) Value of credits in U.S. currency; (B) Time of day the ticket was printed in twenty-four (24) hour format showing hours and minutes; (C) Date, in any recognized format, indicating the date, month and year; (D) Gaming device number or machine number; and (E) Unique validation number, or bar code.

The gaming device shall either keep a duplicate copy or print only one (1) copy to the player. Each gaming device shall have two dedicated logs that will record ticket histories at a minimum of: (A) thirty-five (35) tickets printed, and (B) thirty-five (35) ticket redeemed. In addition, an approved system shall be used to validate the payout ticket and the ticket information on the

central system shall be retained at least as long as the ticket is valid at that location.

12.8.11A.5 Printer Location. The printer shall be located in a locked area of the gaming device (e.g. require opening of the main door access) but not in the logic area or the drop box. This requirement ensures that changing the paper does not require access to the drop (cash) or logic areas.

12.8.11A.6 Error Conditions. A printer shall have mechanisms to allow software to interpret and act upon the following conditions: (A) Out of paper/paper low; (B) Printer jam/failure; and (C) Printer disconnected (this may only be detected when the software tries to print). These conditions shall trigger an error condition to indicate the error has occurred.

12.8.11A.7 Ticket Validation. Payment by ticket printer as a method of credit redemption is only permissible where the gaming device is linked to an on-line data system, which allows validation of the printed ticket. Validation approval or information shall come from the host system in order to validate tickets. Tickets may be validated

at the gaming device or at any validation terminal as long as it meets the standards in this section. Provisions must be made if communication is lost and validation information cannot be sent to the host system, thereby requiring the manufacturer to have an alternate method of payment.

12.8.11A.8

Duplicate Tickets. If the gaming device is capable of printing duplicate tickets, it must clearly indicate that it is a duplicate ticket. The validation system must be able to identify duplicate tickets to prevent fraud by reprinting and redeeming a ticket that was previously issued by the gaming device.

12.8.11A.9

Metering Modifications. To account for cashless tickets accepted by a gaming device, the following electronic gaming device meters shall be incremented: (A) Total value of all items accepted; (B) Total number of all items accepted; (C) The "drop" meter shall maintain a cumulative count of the number of coins that have been diverted into a drop bucket and credit value of all bills or cashless tickets inserted into the bill acceptor for play. It is acceptable to have both a coins-dropped

meter and a bills drop meter. The game shall have a separate meter that accumulates the number of cashless tickets accepted, not including bills; and (D) the gaming device or on-line data system shall have a separate meter that accumulates and increments the total value of cashless tickets accepted, not including bills which are included in section (C) above.

12.8.11A.10 No Credit Extended. As provided in Section 4.2, nothing in this section shall be construed to authorize the extension of credit to any person for gaming.

12.8.12 Identification Plates Required. Each video game of chance shall have an unremovable identification plate on the exterior of the cabinet which contains the following information: (a) manufacturer; (b) serial number; (c) model number; and (d) license stamp and number issued by the Band certifying compliance with the technical standards set forth in these regulations.

12.8.13 Rules of Play and Possible Winnings Displayed. The rules of play for each game must be prominently displayed on the game screen or the cabinet face. No rules of play may be displayed which are incomplete, confusing, or misleading. Each game must display the coins or credits wagered and the credits awarded for the occurrence of each possible winning combination based on the amount wagered. All information required by this section must be kept under glass or other transparent substance and at no time shall stickers or other such materials be placed on the machine face

which obscure the rules of play or the operational features of the game.

12.8.14 Operation as Part of Telecommunications Network. The hardware requirements above shall not be construed to prevent the operation of the video game of chance as part of a local or telecommunications area network with an aggregate prize or prizes. A video game of chance capable of bidirectional communication with external associated equipment must utilize communication protocol which insures that erroneous data or signals will not adversely affect the operation of the device.

12.8.15 Security Tape for EPROMS. Upon installation, a strip of security tape shall be affixed to the EPROM of each video game of chance, capable of evidencing the removal of the EPROM if the EPROM is removed from the circuit board. The security tape shall be secured and available only to the authorized personnel of the Band. Accurate and complete records of the identification number of each EPROM installed in each video game of chance shall be maintained in the records of the Band.

12.8.16 No Credit Card Meters Permitted. No video game of chance may be equipped with a device which permits the player to use a credit card rather than currency or coin to activate the game.

12.9 Software Requirements for Video Games of Chance. Video games of chance operated within the reservation must meet the following specifications:

12.9.1 Software Requirements for Randomness Testing. Each video game of chance must have a true random number generator which will determine the occurrence of a specific symbol or a specific number to be displayed on the electronic screen where such symbol, card, or number is wholly or partially determinative of the

outcome of a game. A selected process will be considered random if:

- 12.9.1.1 Chi-Square Analysis. Each symbol, card, stop position, or number position which is wholly or partially determinative of the outcome of a game, satisfies the ninety-nine (99%) percent confidence limit using the standard chi-square analysis.
- 12.9.1.2 Runs Test. Each symbol, card, stop position, or number does not as a significant statistic produce detectable patterns of game elements or occurrences. Each symbol, card, stop position, or number will be regarded as random if it meets the ninety-nine (99%) percent confidence level with regard to the "runs test" or any generally accepted pattern testing statistic.
- 12.9.1.3 Correlation Analysis. Each pair of symbol, card, stop positions, or number positions is independently chosen without regard for any other symbol, card or number drawn within that game play. Each pair of symbol, card, or number positions is considered random if it meets the ninety-nine (99%) percent confidence level using standard correlation analysis.
- 12.9.1.4 Serial Correlation Analysis. Each symbol, card, stop position, or number is independently chosen without reference to the same symbol, card, stop position, or number in the previous game. Each symbol, card, stop position or number position is considered random if it meets the

ninety-nine (99%) percent confidence level using standard serial correlation analysis.

12.9.1.5 Live Game Correlation. Video games of chance that are representative of live gambling games must fairly and accurately depict the play of the live game.

12.9.2 Software Requirements for Percentage Payout. Each video game of chance must meet the following maximum and minimum theoretical percentage pay out during the expected lifetime of the game.

12.9.2.1 Games Not Affected by Player Skill. Video games of chance with game outcomes not affected by player skill shall pay out a minimum of eighty (80%) percent and not more than ninety-five (95%) percent of the amount wagered, including replays. For the video game of keno and other similar games, the theoretical payout percentage requirements apply to each number of spots marked, but in no instance less than seventy-five (75%) percent for each wager.

12.9.2.2 Video Games that are Affected by Player Skill. Video games that are affected by player skill, such as draw poker and blackjack, shall pay out a minimum of eighty-three (83%) percent and no more than ninety-eight (98%) percent of the amount wagered, including replays. This standard is met when using a method of play which will provide the greatest return to the player.

12.9.3 Minimum Probability Standard for Maximum Payout. Each video game of chance must have a probability of obtaining the

maximum payout which is greater than one (1) in seventeen million (17,000,000) for each play.

12.9.4 Software Requirements for Continuation of Game After Malfunction. Each video game of chance must be capable of continuing the current game with all current game features after a game malfunction is cleared automatically or by an attendant.

12.9.5 Software Requirements for Play Transaction Records. Each game shall maintain electronic accounting meters. Such meters shall be maintained at all times, whether or not the game is being supplied with external power. The following information must be recorded and stored on meters capable of maintaining totals no less than eight (8) digits in length:

12.9.5.1 Total number of coins inserted (the meter must count the total number of coins, or the equivalent value if a bill acceptor is used, which are inserted by players);

12.9.5.2 Number of credits wagered in the case of video games of chance employing a ticket printer mechanism;

12.9.5.3 Number of credits won in the case of video games of chance employing a ticket printer mechanism; and

12.9.5.4 Credits paid out by printed ticket voucher or coin paid by the device.

The following information must be recorded and stored on meters capable of maintaining totals no less than six (6) digits in length:

12.9.5.5 Number of times the logic area was accessed;

- 12.9.5.6 Number of coins or credits wagered in the current game;
 - 12.9.5.7 Number of coins or credits wagered in the last complete, valid game; and
 - 12.9.5.8 Number of cumulative credits representing credits won and money inserted by a player but as to credit machine, not collected, commonly referred to as the credit meter.
- 12.9.6 No Automatic Clearing of Accounting Meters. No video game of chance shall have a mechanism or program which will cause the electronic accounting meters to automatically clear. The electronic accounting meters may be cleared only after written records of the readings before and after the clearing process are taken by the Community, which shall also record the reason the meter was cleared.
- 12.10 Accounting and Audit Procedure. All accounting audit procedures will be carried out pursuant to Section 9 of these regulations.
- 12.11 Amendments to Hardware and Software Requirements for Video Games of Chance. The technical standards set forth in section 12.8 and 12.9 shall govern the operation of video games of chance unless amended by Band Ordinance.
- 12.12 The Band shall issue certificates to manufacturers or distributors pursuant to Section 4.5 of these regulations.
- 12.13 Definitions.
- 12.13.1 "Chi-squared analysis" is the sum of the squares of the difference between the expected result and the observed result.
 - 12.13.2 "Runs test" is a mathematical statistic which determines the existence of recurring patterns within a set of data.

12.13.3 "Symbol position" means first symbol drawn, second drawn, in sequential order, up to the twentieth (20th) number drawn.

12.13.4 "Videos" means electronic or electromechanical video devices that simulate games commonly referred to as poker, blackjack, craps, hi-lo, roulette, line-up symbols and numbers, or other common gambling forms, which are activated by the insertion of a coin, token, or currency, and which award game credits, tokens, or replays, and contain a meter or device to record unplayed credits or replays.

12.13.5 "Logic Control components" means all types of program storage media used to maintain the executable program that causes the gaming device to operate. Such devices include, but are not limited to hard disc drives, PCMIA cards, EPROMs, EEPROMs, CD-ROMs and similar storage media. Such storage media shall:

12.13.5.1 Be disabled from being written to when in the machine via a physical or hardware write disable to ensure that it is impossible to write any contents to the storage media any time, either from an internal or external source.

12.13.5.2 Sealing tape, or its equivalent, shall be used over areas that are access sensitive.

12.13.5.3 Logic control components along with EPROMs, and logic boards must be maintained in a locked, sealed area.

12.13.5.4 Logic control components must be able to be inspected in the field. To this end, such devices must be able to be verified by using signatures, hash codes, or other secure algorithm. In addition, such

devices must be able to be compared on a bit for bit basis.

12.13.5.5 The supplier of the gaming devices, utilizing said logic control components, shall supply to both the tribe and the State approved field test equipment for carrying out tests required in (4) above. In addition, the supplier is required to provide verification training to all parties who request it.

12.14 Shipping and Notification Requirements for Gaming Devices

12.14.1 The Fond du Lac Band requires five (5) days notification to the following individuals when shipping programs, conversion kits, key/clear chips, firmware and machines to either of its casinos (Black Bear and Fond-du-Luth): (i) Tribal Chair; (ii) Comptroller; (iii) Casino Manager; (iv) Legal Department; (v) Slots Department Manager.

12.14.2 Shipment notifications must include the following information: (i) The contract title and date or the purchase order number and date; (ii) Point of origin; (iii) Point of destination; (iv) Arrival date; (v) Carrier; (vi) Method of shipment; (vii) Manufacturer license number; (viii) Serial number; (ix) Name of gaming device; (x) Type of gaming device; (xi) Date of manufacture.

12.14.3 In addition, GLI approval letters and par sheets for each game theme must accompany the notification to the Slots Department Manager

12.14.4 Three (3) days notification is required when shipping replacement machine parts or hardware to either property.

12.14.5 One (1) day notification is required when shipping replacement machine parts or

hardware for gaming devices under current leases.

- 12.14.6 For machines being returned to the manufacturer, three (3) days notification must be provided to the tribe and the respective casino, setting forth the selected carrier and anticipated date and time of arrival.
- 12.14.7 Machine shipments must be by sealed truck.
- 12.14.8 The manufacturer must comply with all applicable state and federal regulations.
- 12.14.9 When shipping notification is not practicable because of the nature of the vendor's business, the Band may grant a waiver or modification of the shipping notification requirements. Waiver requests must be addressed to the Band's Legal Department.

SECTION 13. STANDARDS FOR THE GAME OF BLACKJACK

13.1 Definitions. The following terms, when used in this section, shall have the following meanings unless the context clearly indicates otherwise:

- 13.1.1 "Blackjack" or "Twenty-one (21)" (hereafter "Blackjack") means a card game in which each player opposes the dealer and the dealer opposes each player on behalf of the Band; it is played with a single deck or multiple decks of cards from which each player and a dealer are dealt two (2) cards and may draw additional cards; wherein the object is to accumulate a total of twenty-one (21) points or a total closer to twenty-one (21) points than that of the opposing hand, without exceeding twenty-one (21) points.
- 13.1.2 "A Blackjack" means the combination of an Ace and any card having a point value of ten (10) dealt as the initial two cards to a player or a dealer, except that a blackjack is not the combination of an Ace and a ten value card drawn after splitting a pair of Aces or tens.
- 13.1.3 "Box" means one of several areas of the Blackjack table marked-off in front of each player into which the players' hands are dealt and from which their hands are played.
- 13.1.4 "Chip" means a metal or non-metal representative of value, redeemable for cash, and issued and sold by a gaming entity, for use in gaming.
- 13.1.5 "Dealer" means the person responsible for dealing the cards, taking wagers, and paying winnings.
- 13.1.6 "Digital Facsimile Cards" means cards that are electronically generated and shown to the player through a video display.

- 13.1.7 "Digital Facsimile Card Table" is a table designed to use Digital Facsimile Cards. Such a table shall contain all the components necessary to generate these cards, and player and dealer interaction. The table requires the use of a person acting as the dealer.
- 13.1.8 "Double Down" means an additional wager not in excess of the original wager after the first two cards have been dealt to a player, or such additional wager on the first two cards of any split pair, provided, however, that a player making such a wager may only draw one card.
- 13.1.9 "Hand" means either one game in a series, one deal of the cards, or the cards played by the dealer or a player.
- 13.1.10 "Hard Total" means the total point count of a hand which contains no aces or which contains aces that are each counted as one point in value.
- 13.1.11 "Hole" means one of several areas of the Blackjack table marked-off in front of each player into which the players' chips are placed.
- 13.1.12 "Insurance" means the election of a player to wager that the dealer does have a blackjack when the dealer has one card down and one card showing which is an ace.
- 13.1.13 "Over and Under 13" means the election of a player to wager on the point total of the players two cards before the commencement of each round of play, a player may wager that the point total of the first two cards will be twelve or less; and the player may wager that he point total of the first two cards will be fourteen or more. Aces shall count as "1." The amount bet shall not exceed the amount of the original wager.
- 13.1.14 "Payout" means the winnings earned on a wager.