Honorable Earl Old Person  
Chairman, Blackfeet Nation  
P.O. Box 850  
Browning, Montana 59417

Dear Chairman Old Person:

On August 27, 1996, we received the Interim Agreement (Compact) between the Blackfeet Indian Tribe of the Blackfeet Reservation (Tribe) and the State of Montana (State), dated June 24, 1996. We have completed our review of this Compact and conclude that it does not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of the IGRA, we approve the Compact. The Compact shall take effect when the notice of our approval, pursuant to Section 11(d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

We note, however, that the Tribe must come within an exception to the Professional and Amateur Sports Protection Act (PASPA), 28 U.S.C. §§ 3701-3704, to conduct sports betting under the Compact. PASPA makes it unlawful for a government entity, including an Indian tribe, to sponsor or operate gambling on amateur or professional sports. To be lawful, any sports gaming pursuant to Section V. A, 3, 4 and 10 of the Compact must come within one of the exceptions authorized by Section 3704 of PASPA.

The exception at Section 3704 (A)(2) establishes two criteria which must be met to authorize sports betting. First, the gambling must be authorized by a statute in effect on October 2, 1992. Second, the gambling must actually have been conducted sometime between September 1, 1989, and October 2, 1991. Sports betting is authorized by Montana statutes which were enacted in 1977, 1987 and 1991. Montana Code Annotated Sections 23-5-222, 23-5-502, and 23-5-802. The 1991 law authorizing sports fantasy leagues was passed by the Montana Legislature on April 26, 1991, and became effective July 1, 1991. Therefore, if games were conducted as authorized by the Montana statutes during the relevant period, we believe the Tribe may establish that it falls within the exception to the general prohibition against sports betting. We are not, however, in a position to verify the factual basis for establishing whether the Tribe comes within the exception. Therefore, we express no opinion on the matter.
Notwithstanding our approval of the Compact, Section 11(d)(1) of the IGRA, 25 U.S.C. § 2710(d)(1), requires that tribal gaming ordinances be approved by the Chairman of the National Indian Gaming Commission (NIGC). Regulations governing approval of Class II and Class III gaming ordinances are found in 25 C.F.R. Parts 522, 523 and 524. Pursuant to the IGRA and the regulations, even previously existing gaming ordinances must be submitted to the NIGC for approval when requested by the Chairman. The Tribe may want to contact the NIGC at (202) 632-7003 for further information to determine when and how to submit the ordinance for approval by the NIGC.

In addition, if the Tribe enters into a management contract for the operation and management of the Tribe's gaming facility, the contract must likewise be submitted to, and approved by the Chairman of the NIGC pursuant to Section 11(d)(9) of the IGRA, 25 U.S.C. § 2710(d)(9) and the NIGC's regulations governing management contracts. The Tribe may want to contact the NIGC for information on submitting the ordinance and the management contract for approval by the NIGC.

We wish the Tribe and the State success in their economic venture.

Sincerely,

Ada E. Deer
Ada E. Deer
Assistant Secretary - Indian Affairs

Enclosures

Identical Letter Sent to: Honorable Marc Racicot
Governor of Montana
State Capitol
Helena, Montana 59620

cc: Billings Area Director w/copy of approved Compact
Supt., Blackfeet Agency w/copy of approved Compact
National Indian Gaming Commission w/copy of approved Compact
Pacific NW Region Field Solicitor w/copy of approved Compact
Montana United States Attorney w/copy of approved Compact
October 23, 1996

The FEDERAL REGISTER notice for the Blackfeet Tribe Compact will be published on October 25, 1996.

A copy will be faxed to the tribal office, followed up with a hard copy for filing. A hard copy will also be sent to remaining cc's.

Any questions or comments please contact Ms. Tona Wilkins at (202) 219-4068.
On behalf of the State of Montana, on June 21, 1996, I executed the Interim Agreement Between the Blackfeet Indian Tribe of the Blackfeet Reservation and the State of Montana Concerning Class III Gaming (Agreement). That Agreement was executed based on Gaming Ordinance 94, as corrected after initial passage and extant on June 1, 1996. This same ordinance was subsequently renumbered ordinance 94A and by resolution number 238-96, ratified by the Blackfeet Tribal Business Council on July 3, 1996. Therefore, the reference in the Agreement on page 3, Section V. Permitted Gaming, to Ordinance 94 should be changed to Ordinance 94A. In that same section, the reference to resolution number 157-96 should be changed to resolution number 238-96. As the Gaming Ordinance itself has not changed from the ordinance as corrected on June 1, 1996, this correction is not an amendment to the Agreement, it merely reflects the correct numbers for the current Ordinance and for the Tribal Business Council Resolution approving the Ordinance.

STATE OF MONTANA

MARC RACICOT, GOVERNOR

Date 9-19-96
WHEREAS, The Blackfeet Tribal Business Council is the duly constituted governing body within the exterior boundaries of the Blackfeet Indian Reservation, and

WHEREAS, The Blackfeet Tribal Business Council has been organized to represent, develop, protect and advance the views, interests, education and resources of the Blackfeet Indian Reservation.

WHEREAS, The Blackfeet Tribal Business Council has the power pursuant to the Blackfeet Tribal Constitution, Article VI, Section 1(a), to negotiate with state governments on behalf of the Blackfeet Tribe and the Blackfeet people.

WHEREAS, The Congress of the United States has enacted the Indian Gaming Regulatory Act, whereby a tribe may regulate or participate in the gaming industry on its reservation.

WHEREAS, Pertinent sections of the IGRA create a mechanism through which the various states and Indian tribal governments can negotiate Class III gaming on Indian lands.

WHEREAS, The State of Montana and the Blackfeet Tribe of the Blackfeet Indian Reservation has created an Interim Agreement concerning Class III Gaming on the Blackfeet Indian Reservation.

WHEREAS, The Blackfeet Tribal Business Council met and reviewed the Interim Agreement between the Blackfeet Indian Tribe of the Blackfeet Indian Reservation and the State of Montana which is attached hereto and referenced as Attachment "A", now

THEREFORE BE IT RESOLVED:

1. That the Blackfeet Tribal Business Council does hereby approve the Interim Agreement between the
Blackfeet Indian Tribe of the Blackfeet Indian Reservation and the State of Montana concerning Class III Gaming.

2. That the Blackfeet Tribal Business Council hereby directs the Blackfeet Legal Department and Tribal Revenue Department to forward the Interim Agreement, attached hereto as Attachment "A", to the Secretary of the Interior for final approval.

3. That the Chairman and Secretary are hereby authorized to sign the Interim Agreement between the Blackfeet Indian Tribe and the State of Montana Concerning Class III Gaming on behalf of the Blackfeet Tribe and this Resolution.

ATTEST: THE BLACKFEET TRIBE OF THE BLACKFEET INDIAN RESERVATION

ROLAND KENNERLY, SECRETARY EARL OLD PERSON, CHAIRMAN

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Blackfeet Tribal Business Council in a duly called, noticed and convened Special Session, assembled the 23rd day of January, 1996, with Six (6) members present to constitute a quorum, and with a vote of Five FOR and One OPPOSED.

(SEAL) ROLAND KENNERLY, SECRETARY
WHEREAS, The Blackfeet Tribal Business Council is the duly constituted governing body within the exterior boundaries of the Blackfeet Indian Reservation, and

WHEREAS, The Blackfeet Tribal Business Council has been organized to represent, develop, protect and advance the views, interests, education and resources of the Blackfeet Indian Reservation and

WHEREAS, The Blackfeet Tribal Business Council has the power pursuant to the Blackfeet Tribal Constitution, Article VI, Section 1(a), to negotiate with state governments on behalf of the Blackfeet Tribe and the Blackfeet people, and

WHEREAS, The Congress of the United States has enacted the Indian Gaming Regulatory Act, whereby a tribe may regulate or participate in the gaming industry on its reservation, and

WHEREAS, Pertinent sections of the IGRA create a mechanism through which the various states and Indian tribal governments can negotiate Class III gaming on Indian lands, and

WHEREAS, The State of Montana and the Blackfeet Tribe of the Blackfeet Indian Reservation has created an Interim Agreement concerning Class III Gaming on the Blackfeet Indian Reservation, and

WHEREAS, The Blackfeet Tribal Business Council met and reviewed the Interim Agreement between the Blackfeet Indian Tribe of the Blackfeet Indian Reservation and the State of Montana which is attached hereto and referenced as Attachment "A", now

THEREFORE BE IT RESOLVED:

1. That the Blackfeet Tribal Business Council does hereby approve the Interim Agreement between the
Blackfeet Indian Tribe of the Blackfeet Indian Reservation and the State of Montana concerning Class III Gaming.

2. That the Blackfeet Tribal Business Council hereby directs the Blackfeet Legal Department and Tribal Revenue Department to forward the Interim Agreement, attached hereto as Attachment "A", to the Secretary of the Interior for final approval.

3. That the Chairman and Secretary are hereby authorized to sign this Resolution.

ATTEST:

GABE GRANT, SECRETARY

THE BLACKFEET TRIBE OF THE BLACKFEET INDIAN RESERVATION

EARL OLD PERSON, CHAIRMAN

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Blackfeet Tribal Business Council in a duly called, noticed and convened Special Session, assembled the 23rd day of January, 1996, with Six (6) members present to constitute a quorum, and with a vote of -5- FOR and -1- OPPOSED.

(SEAL)

GABE GRANT, SECRETARY
I. AUTHORITY

This Interim Agreement is made by and between the Blackfeet Indian Tribe of the Blackfeet Indian Reservation [hereinafter "Tribe"] through its duly elected Blackfeet Tribal Business Council and the State of Montana, pursuant to Public Law 100-497, the Indian Gaming Regulatory Act ["IGRA"]. The Council is authorized to enter into this Agreement by the Blackfeet Constitution, Art. VI, sections 1(a) and 1(k) and Resolution No. 262-95 enacted on June 14, 1995. The State is authorized to enter into this Agreement by section 11(d)(3)(B) of the IGRA and the provisions of the State-Tribal Cooperative Agreements Act.

II. PURPOSE

The purpose of the Interim Agreement is to establish on an interim basis the conditions under which Class III gaming may occur on the Reservation. The parties are unable to agree regarding several issues, including jurisdiction over gaming by non-Indians on the reservation, but agree to this interim compact to govern gaming in the interim. This Interim Agreement is entered into in a spirit of cooperation between the State and the Tribe, and is intended to ensure that the health, safety and welfare of the public and the integrity of the gaming industry are protected. This Interim Agreement is intended to allow the Tribe to benefit economically and to provide sufficient procedures for the Tribe to ensure the fair operation of gaming on the Reservation. This Interim Agreement shall be interpreted, in case of ambiguity, to further these purposes.

III. DEFINITIONS

A. "Council." The term "Council" means the Blackfeet Tribal Business Council, any agency, organization, committee, or subdivision of that Council, or any corporate entity in which such Council is the majority owner, or any agent, officer, subcontractor, or employee of the Council.

B. "Gaming." The term "gaming" means the Class III gaming activities authorized under and conducted in accordance with this Agreement.

C. "Premises." The term "premises" means a structure or facility that is clearly defined by permanently installed walls that extend from floor to ceiling and that has a public external entrance, leading to a
street or other area, which entrance is not shared with another premises. If the premises shares a common internal wall with another premises offering gaming, the common wall must be permanently installed, opaque, and extend from floor to ceiling and may not contain an internal entrance through which public access is allowed.

D. "Regulate." The term "regulate" means the power to control through statute, ordinance, resolution, administrative rule, guideline or administrative procedure or to impose taxes, fees, assessments and penalties insofar as is consistent with the IGRA. This term does not include any tribal regulatory, administrative or judicial authority over the State, and it does not include any state regulatory, administrative, or judicial authority over the Tribe or its Council.

E. "Reservation." The term "Reservation" means the Blackfeet Indian Reservation over which the Blackfeet Tribe asserts jurisdiction, as defined in the agreement of September 26, 1895 and referenced in Article I, Constitution and By-Laws for the Blackfeet Tribe of the Blackfeet Indian Reservation of Montana.

F. "State." The term "State" means the State of Montana or any agency thereof.

G. "Tribe." The term "Tribe" means the Blackfeet Tribe of the Blackfeet Indian Reservation.

H. "Indian." The term "Indian" means any person who would be subject to the jurisdiction of the United States under 18 U.S.C § 1153 if that person were to commit an offense listed in that section in Indian country to which that section applies.

IV. AUTHORITY OF THE TRIBE AND STATE

A. In accordance with the terms specified herein, and as provided by law, the Tribe shall have authority, exclusive of the State and which may be concurrent with authority of the United States, to regulate all Class III gaming conducted by Indians, authorized herein, and conducted within the boundaries of the Reservation. The Council agrees to limit Class III gaming by Indians to devices and activities wholly-owned and authorized by the Tribe. If a violation by an Indian of this Interim Agreement occurs, the Council promptly shall initiate civil enforcement action under its laws, and/or request federal criminal enforcement action, to eliminate the violation.

B. In accordance with the terms specified herein and as provided by law, the State shall have civil and criminal authority to regulate gaming by non-Indians on the reservation. Under the conditions set forth in this Interim Agreement, the State shall have authority, concurrent with that of the United States, to prosecute non-Indians for conduct which violates state gambling laws or is not otherwise specifically
authorized by this Interim Agreement. For purposes of such prosecutions by the State, the provisions of the gambling laws of the State of Montana are incorporated herein by this reference.

V. PERMITTED GAMING

A. Subject to the jurisdictional authorities and the prohibitions and limitations set forth herein and in the Blackfeet Tribal Gaming Ordinance No. 94A, Sections 8, 9, 12, through 19, attached hereto and specifically incorporated herein by this reference, the following gaming may be conducted on the reservation under this Agreement. The Ordinance incorporated herein is the ordinance as it exists on July 3, 1996, approved by Tribal Business Council Resolution No. 238-96. Any changes to that Ordinance are grounds for immediate compact termination if the changes are unacceptable to the State.

1. Video gambling machines
2. Simulcast racing and horse racing
3. Calcutta pools
4. Fantasy sports leagues
5. Fishing derbies and betting on natural occurrences
6. Lotteries
7. Shake-a-day
8. Raffles
9. Live keno
10. Sports pools

VI. GENERAL REGULATIONS

The following additional regulations shall apply to all gaming activities conducted on the Reservation.

A. Persons under 18 years of age shall not participate in any gaming activity, except as allowed under state and tribal law regarding charitable fishing derbies and raffles.

B. A person who is not physically present on the premises where the gaming activity is actually conducted and throughout the period that
e activity occurs may not be allowed to participate, except as authorized under state law and Blackfeet Tribal Ordinance 94 regarding lotteries and simulcast racing.

C. The consideration paid for the chance to play shall be strictly cash. Every participant must present the money with which he or she intends to play the game at the time the game is played. No note, IOU, or other evidence of indebtedness shall be offered or accepted as part of the price of participation in such game or as payment of a debt incurred therein. No person or organization shall be permitted to offer credit for gaming for a fee. This restriction shall not apply to credits won by players who activate gambling machines after inserting coins or currency into the machines, and shall not restrict the right of the Council or any other person to offer check cashing or to install or accept bank card or credit card transactions in the same manner as would be normally permitted at any retail business.

D. The Council may make available for play the following number of video gambling machines:

1. Number of Machines, Tribally-owned Premises: The State agrees to a total of 200 tribally-owned video gambling machines for tribal premises, with no more than 100 machines per premise, as long as no alcohol is served. Machines will be allowed in the following locations:

   2 Bingo Halls (up to 100 machines each):
      Browning (one hall)
      Seville Housing (one hall)

   3 Tribal Campgrounds (up to 10 machines each)
      Duck Lake
      St. Mary Lake, Chewing Blackbones Campground
      St. Mary Lake, Divide Mountain Campground

   New Tribal Bingo Facility (Proposed)
   Browning facility, to replace current Browning Bingo Hall listed above (same number of machines as old bingo hall)

   No additional or different locations are allowed absent prior amendment of this Interim Agreement.

2. Number of Machines, Premises Owned by Individuals: For premises owned by individuals, whether tribal members or non-tribal members, each premise is limited to 20 machines.

3. Payouts: For those premises that do not serve alcohol and are owned by the Tribe or by a tribal member, a maximum payout not exceeding $1,000 is allowed. For all other premises, the maximum payout is limited to $800.
VII. BACKGROUND INVESTIGATIONS AND LICENSING OF EMPLOYEES, LESSEES, MANAGERS, AND OPERATORS

A. The Tribe, prior to placing a prospective employee whose responsibilities include the operation or management of gaming, or entering into any agreement regarding the placement of any tribally-owned machine, shall obtain releases and then shall investigate the backgrounds of all potential employees, lessees or agents. The Tribe shall conduct a background check and prepare a written report regarding each applicant within 30 days of receipt of the employment or lease application.

B. The Tribe agrees that it will not employ or allow a machine to be placed in the premises of any person whose prior financial or other activities or criminal record indicates that he or she:

1. poses a threat to the public interest;
2. poses a threat to the effective regulation and control of gaming;
3. creates a danger of illegal practices, methods, or activities in the conduct of gaming or in the carrying on of the business and financial arrangements incidental to gaming;
4. has been convicted of a felony offense within 5 years of the date of application or is on probation or parole or under deferred prosecution for committing a felony offense; or,
5. is receiving a substantial amount of financing for the proposed operation from an unsuitable source. A lender or other source of money or credit that is found to be unacceptable based upon the provisions of 1, 2, 3, or 4 above may be considered an unsuitable source.

VIII. TRIBE MAY CONTRACT WITH STATE

The Tribe may contract with the State to certify and inspect machines by paying a fee for each machine which does not exceed the actual cost incurred by the State for the inspections. The Council may contract with the State to conduct background and financial examinations of persons associated with any gaming operation allowed hereunder. State officials acting in this capacity shall be acting solely on the Council’s behalf under any contract entered into and shall not be deemed to be acting on the State’s behalf. The Tribe may contract with the State for other services as the parties may later agree.

IX. DEFAULT AND TERMINATION

A. Default by Tribe. In the event of a substantial failure by the
Tribe in the performance of its obligations hereunder, the State shall have the right, at its option, to terminate this Interim Agreement, provided that the State shall have given the Council thirty (30) days' written notice of such default and the Council shall have failed to cure such default within thirty (30) days after receipt of the written notice. "Substantial failure" shall include, but not be limited to, allowing gaming or gambling devices not specifically authorized hereunder (including the tribal ordinance incorporated herein by reference above) to be operated on the Reservation, allowing persons to be financially or otherwise involved in gaming operations on the reservation in violation of section VII B. above, allowing persons who are not licensed in accordance with this Interim Agreement to conduct, manage, supply equipment, or otherwise provide services related to gambling activities conducted under the terms of this Agreement, amending the Blackfeet Tribal ordinance regulating gaming, and/or allowing activities to occur on the reservation without proper approval of the National Indian Gaming Commission. Any change in the gaming ordinance by the Tribe which is unacceptable to the State is grounds for immediate termination by the State.

B. Default by State. In the event of substantial failure by the State in the performance of its obligations under this Interim Agreement, the Council shall have the right, at its option, to terminate this Agreement, provided that the Council shall have given the State thirty (30) days written notice of such default and the State shall have failed to cure such default within thirty (30) days after receipt of such written notice.

C. Voluntary Termination. The parties may jointly terminate this Interim Agreement at any time by written instrument signed by both parties.

D. Continuing Duty to Bargain. Upon termination of this Agreement, by default or voluntarily, or if the Council otherwise requests to make modifications, additions or to discuss other potential activities, the State shall negotiate in good faith with the Tribe over the terms and conditions of a subsequent or modified agreement upon receipt of a request pursuant to section 11(d) of the IGRA.

X. MISCELLANEOUS TERMS

A. Effective Date and Term. This Agreement shall be effective upon execution and shall continue in effect for a period of three (3) years unless earlier terminated in accordance with Article IX. Before expiration of this Agreement or upon its termination, the parties may agree to the renewal of the Agreement for a term agreed upon by the parties.
B. Amendments. This Interim Agreement may be amended only with the consent of both parties and only by written instrument signed by both parties. If the IGRA or state law is amended or modified in any way affecting the terms of this Interim Agreement, the parties agree to negotiate in good faith to amend this Interim Agreement so as to achieve the objectives provided for and to ensure compliance with all applicable law. The Council may notify the State that it desires to amend this Interim Agreement to authorize such Additional Class III Games or authorize modifications to provisions herein on the Reservation on terms and conditions less restrictive than those applicable to them under this Interim Agreement. Upon such notice, the parties shall, in good faith, endeavor to negotiate amendments to provide for such gaming by the Council hereunder in conformity with the IGRA.

C. Negative Declaration. This Interim Agreement has been entered into to satisfy the requirements of the IGRA for allowing gaming to occur on the reservation in accordance herewith. It is not intended to reflect or be viewed as reflecting in any other context either party's position with respect to the jurisdictional authority of the other. Nothing in this Interim Agreement or in any conduct undertaken pursuant hereto shall be deemed as enlarging or diminishing the jurisdictional authority of either party except to the extent necessary to implement and effectuate the Interim Agreement's terms.

D. Expansion of Class III Gaming. If, after the date of this Interim Agreement, the State authorizes, pursuant to State law: (a) any form of gaming classified as Class III under the IGRA in addition to those forms permitted by this Interim Agreement ("Additional Class III Games"), or (b) wager, prize, machine or other limits or restrictions on gaming, including Additional Class III Games authorized under subsection 2 below, less restrictive than those set forth herein ("Less Restrictive Provisions"), then the following provisions shall apply:

1. The State shall promptly notify the Council of such Additional Class III Games or Less Restrictive Provisions.

2. This Interim Agreement shall be deemed amended to permit Additional Class III Games, provided that they are conducted in conformity with the least restrictive terms and conditions applicable to them under the State law, unless the Council gives notice of its intention to forego such game.

3. This Interim Agreement shall be deemed amended so as to include such Less Restrictive Provisions.

4. The Council may notify the State that it desires to amend this Interim Agreement to authorize such Additional Class III Games on the Reservation on terms and conditions less
restrictive than those applicable to them under the foregoing provisions. Upon such notice, the parties shall, in good faith, endeavor to negotiate amendments to provide for such gaming by the Council hereunder in conformity with the IGRA.

E. **Severability.** Each provision, section and subsection of this Agreement shall stand separate and independent of every other provision, section, or subsection. In the event that a court of competent jurisdiction shall find any provision, section, or subsection of this Interim Agreement to be invalid, the remaining provisions, sections, and subsections of the Interim Agreement shall remain in full force and effect.

F. **Notices.** All notices and other communications required to be given hereunder by the Council and the State shall be deemed to have been duly given when delivered in person or posted by United States certified mail, return receipt requested, with postage prepaid, addressed as follows:

(1) If to the Council:

Chairman, Tribal Business Council  
Blackfeet Nation  
P.O. Box 850  
Browning, Montana 59417

(2) If to the State:

Governor of the State of Montana,  
Capitol Station  
Helena MT 59620  

Administrator  
Gambling Control Division  
2550 Prospect  
Helena, Montana 59620-1424

or to such other address or addresses as either the Council or the State may from time to time designate in writing.

G. **Reservation of Rights.** It is understood that this Agreement is an interim measure to allow Class III gaming on the Reservation to occur. Neither party has waived or forfeited any of its rights, privileges, positions, or defenses arising under IGRA. Each party
reserves all rights, arguments and defenses that are available to it under the law, and nothing contained in this Agreement shall be interpreted or construed as an express or implicit waiver of any such right, argument or defense.

H. Copies Effective As Original. True and accurate photographic reproductions of this Agreement are intended to have the same force and effect as the original.

BLACKFEET TRIBE
BLACKFEET BUSINESS COUNCIL

Earl Old Person, Chairman
Date 6/24/96

STATE OF MONTANA

MARC RACICOT, GOVERNOR
Date 6/24/96

Consistent with 25 U.S.C.A. Sec. 2710 (d)(8), the Interim Agreement between the Blackfeet Indian Tribe of the Blackfeet Reservation and the State of Montana dated June 24, 1996, is hereby approved on the 10th day of October, 1996, by the Assistant Secretary - Indian Affairs, United States Department of the Interior.

Ada E. Deer
Assistant Secretary - Indian Affairs
RESOLUTION
No. 238-96

WHEREAS, The Blackfeet Tribal Business Council is the duly constituted governing body within the exterior boundaries of the Blackfeet Indian Reservation, and

WHEREAS, The Blackfeet Tribal Business Council has been organized to represent, develop, protect and advance the views, interests, education and resources of the Blackfeet Indian Reservation and

WHEREAS, The Blackfeet Tribal Business Council has the power, pursuant to the Blackfeet Tribal Constitution, Article VI, Section 1(a), to negotiate with state governments on behalf of the Blackfeet Tribe and the Blackfeet people, and

WHEREAS, The Congress of the United States has enacted the Indian Gaming Regulatory Act, whereby an Indian Tribe may regulate and participate in the gaming industry on its Reservation, and

WHEREAS, Pertinent sections of IGRA create a mechanism through which the various states and Indian tribal governments can negotiate Class III gaming on Indian lands, and

WHEREAS, The Blackfeet Tribal Business Council has previously reviewed and approved an Interim Gaming Compact between the Blackfeet Tribe of the Blackfeet Indian Reservation and the State of Montana, and

WHEREAS, The Blackfeet Tribal Business Council, on January 23, 1996, approved an Interim Gaming Compact Agreement with the State of Montana, and

WHEREAS, On March 7, 1996 by Tribal Resolution No. 157-96, the Blackfeet Tribal Business Council approved and adopted a newly revised Tribal Gaming Ordinance, and
WHEREAS, Subsequent thereto, it became necessary to make additions in the newly approved Tribal Gaming Ordinance No. 94, and

WHEREAS, On July 3, 1996, the Blackfeet Tribal Business Council reviewed and approved the additions, now

THEREFORE BE IT RESOLVED:

1. That the amendments made to Blackfeet Tribal Gaming Ordinance No. 94, are hereby approved by the Blackfeet Tribal Business Council. That a copy of the newly revised Ordinance No. 94(A) is attached hereto and made a part of this Resolution by this reference.

2. That the Blackfeet Tribal Business Council hereby directs that the Amended Blackfeet Tribal Gaming Ordinance No. 94A be attached to the Interim Gaming Compact to be forwarded to the Governor of the State of Montana for signature and then forwarded to the National Indian Gaming Commission for its review and approval. After final approval has been granted by the National Indian Gaming Commission, these two documents shall be published in the Federal Register.

3. That the Chairman and Secretary are hereby authorized to sign this Resolution.

ATTEST:

THE BLACKFEET TRIBE OF THE BLACKFEET INDIAN RESERVATION

ROLAND KENNERLY, SECRETARY

EARL OLD PERSON, CHAIRMAN

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Blackfeet Tribal Business Council in a duly called, noticed and convened Special Session, assembled the 3rd day of July, 1996, with Six (6) members present to constitute a quorum, and with a vote of -5- FOR and -1- OPPOSED.

(Seal)  

ROLAND KENNERLY, SECRETARY
SECTION 1. DEFINITIONS

For the purpose of this Agreement:

(A) "Applicant" means any person who has applied for a permit for a video gambling machine.

(B) "Associated Equipment" means all proprietary devices, machines, or parts used in the manufacture or maintenance of a machine, including but not limited to integrated circuit chips, printed wire assemblies, printed wire boards, printing mechanisms, video display monitors, metering devices, and cabinetry.

(C) "Base Amount" means the amount of the progressive jackpot initially offered before it increases.

(D) "Bingo" means a gambling activity played for prizes with a card bearing a printed design of 5 columns of 5 squares each, 25 squares in all. The letters B-I-N-G-O must appear above the design, with each letter above one of the columns. More than 75 numbers may not be used. One number must appear in each square, except for the center square, which may be considered a free play. Numbers are randomly drawn using authorized equipment until the game is won by the person or persons who first cover one or more previously designated arrangements of numbers on the bingo card.

(E) "Credit" means the smallest unit of value that may be used to play a game on an electronic game of chance or that may be redeemed in currency.

(F) "Destruction of a Machine" may be the result of deliberate or accidental causes. However, in all cases a machine shall be considered destroyed only if it results in the machine never being able to function again.

(G) "Distributor" means a person who obtains an electronic game of chance or other equipment used in gambling activities and who intends to furnish it to the Tribe.

(H) "Draw Poker" means a game of poker in which the player makes a wager, then the initial cards are dealt. After the initial deal, the player may raise his wager (if that option is available), discard and replace any unwanted cards prior to playing the hand. Varieties of draw poker are authorized and must be played in the manner set out for that game in the authority reference: Scarne's Encyclopedia of card games. copyright 1983, by John Scarne, pages 18 through 276. Draw poker games not specifically authorized herein are prohibited.
"Electronic Game of Chance" means a microprocessor-controlled electronic device which allows a player to play games of chance, some of which are affected by skill, which device is activated by the insertion of a coin, currency, tokens, or by the use of a credit and which awards game credits, cash or tokens or prizes of value, replays or a receipt that can be redeemed by the player for any of the foregoing. Game play is displayed by video facsimile. The images projected on the screen are a material component of the game and must comport with the definitions herein to be included in any specifically defined type of machine, e.g., video poker or keno.

"EPROM" means an erasable and programmable read-only memory.

"Escrow Account" means an electronic meter that accumulates progressive monies above the maximum payout for a progressive and is added to the progressive base amount immediately following the award of the progressive jackpot.

"Incremental Amount" means the difference between the amount of a progressive jackpot and its base amount.

"Keno" means a game of chance in which prizes are awarded using a card with 8 horizontal rows and 10 columns on which a player may pick up to 10 numbers. A keno caller, using authorized equipment, selects at random at least 20 numbers out of numbers between 1 and 80, inclusive.

"Machine" means an electronic video gambling machine.

"Manufacturer" means a person who manufacturers, produces, or assembles an electronic game of chance and who intends to furnish it to a distributor, route operator or the Tribe.

"Modification" means a change or alteration to a video gambling machine that affects the manner or mode of play of the machine. The term includes any change to the control program, graphics program, or theoretical hold percentage. The term does not include:

(i) a change in a machine from one approved configuration to another approved configuration or from one approved mode of play to another approved mode of play;

(ii) replacement of one component with another approved component; or

(iii) the rebuilding of a previously approved machine with approved components in an approved configuration.

"Multi-Variation" means a machine that offers for play more than one variation of any one game.

"Multi-Denomination" means a machine that offers for play more than one denomination.
(S) "PAL" means a programmable array logic or digital integrated circuit.

(T) "PROM" means programmable read-only memory.

(U) "Progressive Jackpot" means an electronic game of chance payoff that increases automatically over time or as one machine or another is played.

(V) "Related Equipment" means any mechanical, electrical or electronic contrivance, machine or device that is physically connected to or communicates electronically with a video gambling machine.

(W) "Route Operator" means a person who:

(i) purchases from a manufacturer, distributor or route operator equipment of any kind for use in a gambling activity;

(ii) leases the equipment to a tribal gaming facility for use in public; and

(iii) may sell to a Tribe equipment that had previously been authorized to operate within the Tribe's boundaries.

(X) "Simulates the Game of Draw Poker" means plays by or mimics the generally accepted rules or methods of any of the various card games known as "draw poker". Methods include, but are not limited to, symbols used for or in place of images of playing cards or a description. A determination that a machine plays the game of draw poker is not solely based on the name of the game, but includes consideration of the images displayed, which must mimic a hand of cards. The visual display is a material component of this definition.

(Y) "Slot Machine" means a mechanical, electrical, electronic, or other gambling device, contrivance, or machine that, upon insertion of a coin, currency, token, credit card, or similar object or upon payment of any valuable consideration, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the person playing or operating the gambling device to receive cash, premiums, merchandise, tokens, or anything of value, whether the payoff is made automatically from the machine or in any other manner. This definition does not apply to video gambling machines authorized herein.

(Z) "State Gaming Agency" means the Montana Department of Justice. Gambling Control Division.

(AA) "Valid Ticket Voucher" is a ticket produced by a machine that is the result of benefit play of a machine and not the result of player tampering, manipulation, or a machine malfunction that can be documented.
(BB) "Video Bingo Machine" means an electronic video gambling machine that, upon insertion of cash, is available to play or simulate the play of the game of bingo as defined herein. The machine utilizes a video display, microprocessor(s) and a random number generator (rather than authorized equipment). The term does not include a slot machine. The term does not include a slot machine or any video gaming machine which displays an image resembling a slot machine or "slots" or which operates on the theme of a slot machine. The image or images projected on the video display are a material component of the game, and must comport with this definition for the machine to be a bingo machine.

(CC) "Video Draw Poker Machine" means an electronic video gambling machine that upon insertion of cash, is available to play or simulate the play of the game of draw poker as defined herein. The machine utilizes a video display, microprocessor(s) and a random number generator. The term does not include a slot machine. The player, in accordance with the rules of draw poker, receives cash or credits that may be redeemed for cash for a winning hand. The term does not include a slot machine or a machine which operates on the theme of a slot machine. The image or images projected on the video display are a material component of the game, and must visually simulate a poker hand and comport with this definition for the machine to be a draw poker machine.

(DD) "Video Gambling Machine" means a video bingo, video draw poker or video keno machine.

(EE) "Video Keno Machine" means an electronic video gambling machine that, upon insertion of cash, is available to play or simulate the play of the game of keno as defined herein. The machine utilizes a video display, microprocessor(s) and a random number generator (rather than authorized equipment). The term does not include a slot machine or a machine which operates on the theme of a slot machine. The image or images projected on the video display are a material component of the game, and must comport with this definition and visually mimic the game of keno for the machine to be video keno machine.

SECTION 2. CONDITIONS

A video gambling machine regulated by the Tribe must comply with the following conditions:

(A) Each video gambling machine may offer for play the game of draw poker, or keno, or bingo. No machine may offer for play more than one game.

(B) One credit may not exceed twenty-five cents in value:

(C) Bill Acceptors that accept cash in the form of bills cannot exceed $5 acceptance.

(D) Prizes may be awarded only in the form of free games, credits, or cash. A prize may not exceed the value of $1,000 for each individual award.

(E) Coin Drop Hoppers that award cash in the form of coins are permitted.
(F) Video gambling machines within a tribal premises may be connected in a progressive bank provided the prize limit for the progressive bank does not exceed $1,000 for an individual award.

(G) Video gambling machines may not be operated between the hours of 2 a.m. and 8 a.m. of each day, unless the Tribal Council adopts an ordinance allowing play between 2 a.m. and 8 a.m.

(H) Any video gambling machine manufacturers, distributors or route operators purchasing, providing, selling or otherwise placing electronic games of chance under this agreement must be licensed by the State under MONT. CODE ANN. § 23-5-128, 23-5-129 and 23-5-625.

(I) Each electronic game of chance shall communicate with a dedicated line or Dial-Up electronic game management system.

(J) No electronic game of chance may be purchased, leased or otherwise acquired by the Tribe unless the electronic game of chance is certified and purchased, leased or acquired from a manufacturer, distributor or route operator licensed by the State under MONT. CODE ANN. § 23-5-128, 23-5-129 and 23-5-625.

SECTION 3. TESTING AND APPROVAL OF ELECTRONIC GAMES OF CHANCE AND RELATED EQUIPMENT

No electronic game of chance or related equipment may be purchased, leased or otherwise acquired by the Tribe unless the electronic game of chance or prototype thereof meets the requirements and standards of this Compact.

SECTION 4. MODIFICATIONS OF APPROVED ELECTRONIC GAMES OF CHANCE

All modifications must meet the requirements and standards of this Compact.

SECTION 5. CONFORMITY TO TECHNICAL STANDARDS

The Tribe shall require the manufacturer, distributor or route operator to certify, in writing, that, upon installation, each electronic game of chance or related equipment:

(A) Conforms precisely to the exact specifications of the electronic game of chance or related equipment or prototypes allowed under state law.

(B) Operates and plays in accordance with the technical standards set forth in this compact.
SECTION 6. HARDWARE REQUIREMENTS FOR ELECTRONIC GAMES OF CHANCE

Electronic games of chance operated under this Compact must meet the following specifications:

(A) Physical Hazard - Electrical and mechanical parts and design principles of the electronic games of chance may not subject a player to physical hazards.

(B) Surge Protector - A surge protector must be installed on the line that feeds power to the electronic game of chance.

(C) Battery Backup - A battery backup or an equivalent shall be installed on the electronic game of chance for the electronic meters and must be capable of maintaining the accuracy of all information required by this Compact for 180 days after power is discontinued from the machine. The backup device shall be kept within the locked microprocessor compartment.

(D) On/Off Switch - An on/off switch that controls the electrical current used in the operation of an electronic game of chance and any associated equipment must be located in a place which is readily accessible within the interior of the Game of chance.

(E) Static Discharge - The operation of each electronic game of chance must not be adversely affected by static discharge or other electromagnetic interference.

(F) Approved Coin and Bill Acceptors - At least one electronic coin acceptor must be installed in or on each electronic game of chance. Each electronic coin acceptor must employ devices referred to as "lockouts" which prohibit the machine from accepting coins during periods when the machine is inoperable. The machines may also contain a bill acceptor that accepts cash in the form of bills. Prior to operation, all model(s) of coin and bill acceptors installed must be in compliance with State law.

(G) Machine Security

(i) The cabinet or interior area of the electronic game of chance shall be locked and not readily accessible.

(ii) Each electronic game management system (either a dedicated line or a dial-up system) approved by the State and the Tribe must provide permanent sequential tracking, which permits monitoring of error conditions on a printed medium for future use, and which records daily, the following information (all meters must be 8 digits in length):

(a) Total dollars accepted by the coin and bill acceptor mechanism(s) (the meter must track cents); referred to as the "In Meter";

(b) Total dollars played on the machine (the meter must track cents); referred to as the "Played Meter";
(c) Total dollars won on the machine (the meter must track cents); referred to as the "Won Meter";

(d) Total dollars paid out by the machine (the meter must track cents); referred to as the "Paid Meter:

(e) Total dollars of net revenue produced by the machine;

(f) Time of day in twenty-four hour format showing hours and minutes;

(g) Date:

(h) Machine serial number;

(i) Terminal number;

(j) The program name and version:

(k) Number of times the microprocessor compartment has been opened if switches have been installed for this purpose, including date and time;

(l) Number of times the cash compartment has been opened, including date and time; and

(m) The number of times the cabinet has been opened, including date and time.

(iii) Electronic games of chance utilizing coin drop hoppers must detect;

(a) hopper empty;

(b) hopper jam; and

(c) hopper runaway/malfunction.

(iv) Printing Mechanism: If the machine employs a printer, the printing mechanism must be located in a locked area of the machine. The printing mechanism must retain an audit copy of all tickets printed. The Tribe shall preserve all the printer audit copies for 3 years. The printing mechanism must have a paper sensing device that upon sensing a "low paper" condition will allow the machine to finish printing the ticket and prevent further play. The machine must recognize a printer power loss occurrence and cease play until power has been restored to the printer and the machine is capable of producing a valid ticket.

(H) Printing Mechanism: If the machine prints ticket vouchers, the machine must be capable of printing a valid ticket voucher for all credits owed the player at the completion of each game. A valid ticket voucher must contain the following:
(i) the name of the establishment;
(ii) the name of the city, town, or county in which the establishment is located;
(iii) the machine serial number;
(iv) the time of day in hours and minutes in a 24-hour format:
(v) the current date;
(vi) the program name and revision;
(vii) the value of the prize in numbers;
(viii) the value of the prize in words; and
(ix) the sequential ticket number.

(I) Secure Electronic Components

(i) Logic Boards and EPROM chips and other logic control components shall be located in a separate compartment within the electronic game of chance and that compartment shall be sealed and locked with a different key or combination than that used for the main cabinet door and cash compartment. Game EPROMs contained on the logic board must be readily accessible from the front of the machine. The compartment may only be opened in the presence of an authorized agent of the Tribal Gaming Office. The key to the microprocessor compartment shall be kept by the Tribe in a secure place.

(ii) Upon installation, the Tribe shall affix or cause to be affixed to the EPROM chip of each electronic game of chance a strip of security tape, capable of evidencing the removal of the EPROM chip if the EPROM chip is removed from the circuit board. The security tape shall be secured and available only to the authorized personnel of the Tribal Gaming Office.

(J) Secure Cash Compartment - The coin and currency compartment shall be locked separately from the main cabinet area, and secured with a different key or combination than 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 coin drop hopper. Cash compartment keys must be kept in a secure location. Except as provided in this section, the compartment in which the inserted coins and bills are deposited shall be locked at all times. An employee or official of the Tribe may open the cash compartment in the gaming cabinet for the purpose of collecting the accumulated cash.

(K) Hardware Switches or Hardware Modification of Pay Tables or Payouts Prohibited - No hardware switches (DIP Switches) may be installed on an electronic game of chance or on any associated equipment which may alter the pay tables or payout percentages in the operation of the gaming device. Hardware switches may be installed to control the machine's sound, screen color and game speed. Multi-variation and/or multi-denomination features can be software or hardware selectable
Operation as Part of a Network - The hardware requirements of this Section shall not be construed to prevent the operation of the electronic game of chance as part of a network within the Tribal Gaming Facility, or between the Gaming Facilities on Tribal Lands, with a prize limit of $1,000 for an individual award; provided that an electronic game of chance capable of bi-directional communication with external associated equipment must utilize communication protocol which insures that erroneous data or signals will not adversely affect the operation of the game.

Identification Plates Required - Each electronic game of chance shall have a non-removable identification plate on the exterior of the cabinet, by the manufacturer, which contains the following information:

(i) Manufacturer;

(ii) Serial Number;

(iii) Model Number;

(iv) Date of Manufacturer (month and year)

Mechanical Meters Required - Each electronic game of chance must have non-resettable mechanical meters housed in a locked machine area where the meter readings can be easily viewed. The mechanical meters must be manufactured in such a way as to prevent access to the internal parts without destroying the meter. Meters must be hardwired (no quick connects will be allowed in the meter wiring system). A validating identification sticker attached to the mechanical meters to verify the meters are assigned to a specific licensed machine may be required. The meters must keep a permanent record of:

(i) total dollars accepted by the coin acceptor mechanism(s), and bill acceptor (if applicable), referred to as the "In Meter";

(ii) total dollars played, referred to as the "Played Meter";

(iii) total dollars won, referred to as the "Won Meter";

(iv) total dollars paid, referred to as the "Paid Meter".

Any combination of mechanical meters is permitted so long as all mechanical meter readings required above can be derived from the approved combination.

SECTION 7. REQUIREMENTS FOR PROGRESSIVE ELECTRONIC GAMES OF CHANCE

A meter that shows the amount of the progressive jackpot must be conspicuously displayed at or near the machines to which the jackpot applies.
(B) A Tribe may limit a progressive jackpot to an amount that is equal to or greater than the amount of the jackpot when the limit is imposed. The Tribe shall post a conspicuous notice of the limit at or near the machine or machines to which the limit applies.

(C) A Tribe shall not reduce the amount displayed on a progressive jackpot meter or otherwise reduce or eliminate a progressive jackpot unless:

(i) A player wins the jackpot;

(ii) The Tribe adjusts the progressive jackpot meter to correct a malfunction or to prevent the display of an amount greater than a limit imposed pursuant to subsection (b) above, and the Tribe documents the adjustment and the reasons for it as follows:

(a) The Tribe documents the distribution;

(b) Any machine offering the jackpot to which the Tribe distributes the incremental amount does not require that more money be played on a single play to win the jackpot than the machine from which the incremental amount is distributed;

(c) Any machine offering the jackpot to which the incremental amount is distributed complies with the minimum theoretical payout requirement of Section 8(b);

(d) The distribution is completed within 30 days after the progressive jackpot is removed from play.

SECTION 8. SOFTWARE REQUIREMENTS FOR ELECTRONIC GAMES OF CHANCE

Electronic games of chance must meet the following specification:

(A) Software Requirements for Randomness Testing - Each electronic 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 video screen where such symbol, card, or number is wholly or partially determinative of the outcome of a game. A selection process will be considered random if:

(i) Chi-Squared Analysis - Each symbol, card, stop position or number position which is wholly or partially determinative of the outcome of a game, satisfies the 99 percent confidence limit using the standard chi-squared analysis.

(ii) Runs Test - Each symbol, card, stop position or number does not as a significant statistic produce predictable patterns of game elements or occurrences. Each symbol, card, stop position or number will be regarded as random if it meets the 99 percent confidence level with regard to the "runs test" or any generally accepted pattern testing statistic.
(iii) Correlation analysis - Each symbol, card, stop position or number 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 99 percent confidence level using standard correlation analysis.

(iv) Serial Correlation Analysis - Each symbol, card, stop position or number is independently chosen without reference to the same symbol, card, stop position or number position is considered random if it meets the 99 percent confidence level using standard serial correlation analysis.

(v) 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.

(B) Software Requirement for Percentage Payout - Each electronic game of chance shall pay out a minimum of 80%. The theoretical payout percentage will be determined using standard methods of probability theory.

(C) Minimum Probability Standard for Maximum Payout - Each electronic game of chance must have a probability of obtaining the maximum payout which is greater than 1 in 17,000,000 (ONE IN SEVENTEEN MILLION) for each play.

(D) Software Requirements for Continuation of Game After Malfunction - Each electronic 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. This provision does not apply if a game is rendered totally inoperable; however, the current wager and all player credits prior to the malfunction must be returned to the player.

(E) 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 electronic meters must be 8 digits in length and record and display the following information on the video screen:

(i) total dollars accepted by the coin and bill acceptor mechanism(s) (the meter must track cents); referred to as the "In Meter";

(ii) total dollars played (the meter must track cents); referred to as the "Played Meter";

(iii) total dollars won (the meter must track cents); referred to as the "Won Meter";

(iv) total dollars paid (the meter must track cents); referred to as the "Paid Meter";

(v) total dollars that have been paid to a patron in the last complete valid game (the meter must track cents), which shall be displayed visibly on the front of the machine; referred to as the "Win Meter";
(vi) total amount of cash wagered in the current game (the meter must track cents);
(vii) total games played;
(viii) total games won;
(ix) number of times the microprocessor compartment has been opened (if switches have been installed for this purpose);
(x) number of times the cash compartment has been opened.
(xi) number of times the cabinet has been opened.

(F) No Automatic Clearing of Accounting Meters - No electronic 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 Tribe, which shall also record the reason the meter was cleared.

(G) General Software Requirements for those games defined as video gambling in this agreement:

(i) the field of numbers must be mixed or generated after each game by using a random number generator;
(ii) after the numbers have been generated or mixed and before the start of the game the field of numbers is to be frozen with all numbers used for play taken in order from the top of the frozen field;
(iii) the game must display the combinations for which credits will be awarded and the number of credits awarded for each combination; and
(iv) any variable data, e.g., location name, shall not reside on EPROMs that contain game programs.

(H) Software Requirements for Bingo as defined in this agreement:

(i) utilize a field of numbers from 1 to 75;
(ii) provide a card or cards that contain 24 numbered spaces per card and one free spot. No cards may be identical:
(iii) meter each breakdown in the paytable;
(iv) conform to the standard rules of bingo;
(v) produce a bingo during each game:

(vi) allow the player the choice of cards on which to play. All winning cards must be available for display on the screen, including any that may be played by the machine in any game; and

(vii) designate the winning arrangement of numbers prior to commencing play.

(I) Software Requirements for Draw Poker as defined in this agreement:

(i) use a deck of cards consisting of 52 standard playing cards, up to two jokers may also be used;

(ii) after the initial cards have been dealt, the player may be allowed to raise his wager;

(iii) replace discarded cards with remaining cards in the frozen field starting with the sixth card and drawing any additional cards in the order of that frozen field;

(iv) must display images of cards that closely resemble the standard poker playing cards:

(v) conform to the standard rules of draw poker; and

(vi) meter for each breakdown in every paytable.

(J) Software Requirements for Keno as defined in this agreement:

(i) display a playing field of numbers from 1 to 80;

(ii) accept a bet on a minimum of 2 spots and maximum of 10 spots per game;

(iii) display the balls picked; and

(iv) conform to the standard rules of keno.
APPENDIX B

SIMULCAST RACING AND HORSE RACING

I. DEFINITION

1. For the purposes of this Agreement, "simulcast racing" means a live broadcast of an actual horserace at the time it is run. The term includes races of local or national prominence.

2. For the purposes of this Agreement, "horse racing" means racing of horses or mules where the parimutuel system of wagering is used, and shall include simulcast racing.

II. CONDITIONS

A. Simulcast racing regulated by the Council must:
   (1) be with a network approved to operate within Montana: and
   (2) not pay any state and local tax assessment but shall pay other standard fees charged by the network, as arranged by the Council.

B. Horse racing provided for herein which is regulated by the Council must be conducted under rules and guidelines adopted by the Council which provide guarantees of fairness, safeguards and accuracy at least stringent as those under statutes and regulations of the State of Montana, provided the Council may, in licensing races on Reservation, designate a race meet as a "traditional" event, exempt from regulation hereunder, as contemplated under 25 U.S.C. 2703(6).
APPENDIX C
CALCUTTA POOLS

I. DEFINITION

For the purposes of this Agreement, "Calcutta pool" means a form of auction pool conducted on an event having more than two entrants in which a person's wager is equal to his bid.

II. CONDITIONS

A Calcutta pool regulated by the Tribe must comply with the following conditions:
(1) At least 50% of the total amount wagered on the pool must be paid out in prizes.
(2) A person may not wager on an elementary school or high school event.
(3) The rules of the Calcutta pool must be publicly posted.
(4) Proceeds from the pool minus administrative costs and prizes paid must be contributed to a charitable or nonprofit corporation, association, or cause, as such is determined by the Council.
APPENDIX D

FANTASY SPORTS LEAGUES

I. DEFINITIONS

For the purposes of this Agreement, the following definitions apply:

1. "Administrative fee" means an amount that may be charged a member for payment of expenses directly related to the operation of a fantasy sports league. An administrative fee may not exceed 15% of a member's entrance fee.

2. "Entrance fee" means the amount charged a member, excluding any administrative fee, for membership in a fantasy sports league.

3. "Fantasy sports league" means a gambling activity in which persons assemble fictitious teams through a process of bidding for or drawing players from a recognized league and wagering a participation fee that the assembled team will accumulate the most points over a specific season.

4. "Member" means a person or group of persons who own a fictitious team that is a competitor in a fantasy sports league.

5. "Prize" means anything of value awarded to a winner of a fantasy sports league.

6. "Transaction fee" means an amount charged a member for trading or purchasing a player after the initial teams in the fantasy sports league are selected. The fee for each transaction may not exceed the entrance fee.

II. FANTASY SPORTS LEAGUES DESCRIBED

A fantasy sports league is a gambling activity conducted in the following manner:

1. A fantasy sports league consists of a limited number of persons or groups of persons who pay an entrance fee for membership in the league. The entrance fee may include an administrative fee.

2. Each league member creates a fictitious team composed of athletes from a given professional sport, such as baseball, basketball, or football. Player selection is conducted through random drawings or a bidding process.

3. After the initial teams are selected, interim replacement of players may occur by trade or purchase. A specific fee, which may not exceed the total entrance fee, may be charged for each transaction.

4. A method, as defined by league rules, is devised to permit each team to compete against other teams in the league. Points are awarded to a team according to the performance of individual players or teams or both during a designated time period.

5. A member may be eligible to receive a prize based on the number of points accumulated. Prizes, which may be in the form of cash or merchandise or a combination of both, are awarded according to league rules. If a prize is merchandise, the purchase price paid for the merchandise is considered the value of the prize.

6. Rules governing the conduct of the fantasy sports league are provided in writing to each member.
III. LEAGUE RULES

Rules governing a fantasy sports league must include:
(1) name, address, and telephone number of the person or organization conducting the league;
(2) amount charged for entrance, administrative, and transaction fees;
(3) name of the professional sport and teams on which the league is based;
(4) length of the season that the league is to operate;
(5) size of a member's team roster;
(6) method used to select players;
(7) method for awarding points to a team based on the performance of individual players, teams or both during a designated period; and
(8) anticipated prizes to be awarded.

IV. RECORD KEEPING REQUIREMENTS

An organization or individual conducting a fantasy sports league shall retain the following records for 1 year after the league winners are determined:
(1) name and address of each individual who participated as a member in the league;
(2) total amount collected for each of the following fees:
   (a) entrance;
   (b) administrative; and
   (c) transaction.
(3) number of interim trades or purchases made by each member;
(4) proof of the purchase price of any merchandise prize awarded; and
(5) a list of the prizes awarded at the conclusion of the league season, including:
   (a) the amount of each prize;
   (b) name of the member awarded each prize; and
   (c) total value of the payout of the fantasy league.

V. RESTRICTIONS

(1) A representative of each member of the fantasy sports league must be present to initially select team players and to trade or purchase interim players.
(2) Players for initial teams must be selected through a random drawing or competitive bidding process.
(3) An entrance fee and any administrative fee must be paid in cash at the time a member joins the league. A transaction fee must be paid in cash at the time the interim trade or purchase of a player is made.
(4) The total value of prizes awarded to all members must equal the total amount collected for entrance, administrative, and transaction fees, minus any payment for administrative expenses.
APPENDIX E

FISHING DERBIES AND BETTING ON NATURAL OCCURRENCES

I. DEFINITIONS

For the purposes of this Agreement, the following definitions apply:

(1) "Fishing derby" means a gambling activity in which two or more persons pay valuable consideration for an opportunity to win a prize for the species, size, weight, or otherwise specified fish caught in a fishing event.

(2) "Wagering on the outcome of a natural occurrence" means a gambling activity in which two or more persons pay valuable consideration for an opportunity to win a prize by most accurately predicting the date or time of an event resulting from a climatological or meteorological activity.

II. CONDITIONS

A gambling activity involving a fishing derby or wagering on the outcome of a natural occurrence that is regulated by the Council must comply with the following conditions:

(1) Except as provided in subsection (2), all consideration paid to participate in the gambling activity, less a reasonable administration fee, must be paid to the winners.

(2) A nonprofit organization sponsoring the gambling activity may retain up to 50% of the total amount paid to participate.
APPENDIX F
LOTTERIES

I. DEFINITION

The term "lottery games" means a scheme for the distribution of a prize by chance where multiple players pay for the opportunity to win the prize and select a chance either (1) from a finite number of chances where the winning combinations are predetermined but concealed prior to purchase and the selection of each choice depletes the number of chances remaining, or (2) where the winner or winners are determined by random selection after all entries are completed, including where a time limit for entry has passed, when a predetermined number of players have entered, or when a predetermined sum of money has been wagered.

II. CONDITIONS

Lottery games may be conducted on the Reservation under the following conditions:

A. such games are authorized and regulated by the Montana Lottery subject to the provisions of sections 23-7-401 to -412, MCA; or

B. such games are conducted and operated by the Tribes alone and/or with other Tribes in a manner which provides security at least as stringent as the Montana Lottery

C. such games are conducted in a manner which requires the physical presence of the player on the reservation, or, in the case of a lottery in which several reservations participate, on a participating reservation, at the time the wager is placed.
APPENDIX G
SHAKE-A-DAY AND SHAKING FOR MUSIC OR A DRINK

I. DEFINITIONS

For the purposes of this Agreement, the following definitions apply:

1. "Shake-a-day" means a dice game in which a person may once each day pay an amount of money predetermined by an establishment and shake a number of dice predetermined by the establishment in an attempt to roll a predetermined combination simulating a poker hand. If the combination is rolled, the person wins all the money paid to play the game since the last winning combination was rolled.

2. "Shaking for music or a drink" means a gambling activity in which a customer, either alone or with an owner or employee of an establishment, shakes or chooses one or more dice to determine whether the customer or the establishment shall pay for the customer's drink or shall immediately pay a predetermined amount of money for music from a jukebox in the establishment.

II. CONDITIONS

A gambling activity involving shake-a-day or shaking for music or a drink that is regulated by the Tribe must comply with the following conditions:

1. The maximum amount that may be wagered by a person participating in a game of shake-a-day is 50 cents.

2. Before a shake-a-day game begins, an establishment may limit the amount that may be won and use the remaining money played on that game to start the pot for the next game, thus enhancing the incentive to play the next game in the early stages of the next game. All money paid to play games must be paid out as winnings.

3. The maximum amount of money that may be placed in a jukebox as a result of shaking for music is $2.

4. Nothing in this Agreement authorizes the dice game of craps or any other dice game not specifically described in this Agreement.
APPENDIX H

LIVE KENO

I. DEFINITION

For the purposes of this Agreement, "live keno" means a game of chance in which prizes are awarded using a card with 80 numbers arranged in eight horizontal rows and ten columns, on which a player may pick up to ten numbers. A keno caller, using authorized equipment, selects at random at least twenty numbers out of numbers between one and eighty inclusive.

II. CONDITIONS

Live keno regulated by the Tribes must comply with the following conditions:

1. Live keno may not be conducted between the hours of 2 a.m. and 8 a.m. of each day, unless the Tribal Council adopts an ordinance allowing play between 2 a.m. and 8 a.m.

2. A keno operator shall keep a record of gross proceeds in the form required by the Tribes. At all times during the business hours of the licensee the records must be available for inspection.

3. A keno operator shall annually complete and deliver to the Tribal Council a statement showing the total gross proceeds for each live keno game operated by him and the total amount due as live keno tax for the preceding year. This statement must contain any other relevant information required by the Tribal Council.

4. Except as provided in subsection (6),:
   (a) the price for an individual keno card may not exceed 50 cents;
   (b) a prize may not exceed the value of $1,000 for each individual keno card; and
   (c) it is unlawful to, in any manner, combine any awards so as to increase the ultimate value of the award.

5. Keno prizes may be paid in either tangible personal property or cash.

6. Variations of the game of keno, as authorized in section III, in which a player selects three or more numbers and places a wager on various combinations of these numbers is permissible if:
   (a) no more than 50 cents is wagered on each combination of numbers; and
   (b) a winning combination does not pay more than $1,000.

7. A player may give a keno caller a card with instructions on the card to play that card and its marked numbers for up to the number of successive games that the house allows and that the player has indicated on the card, upon payment of the price per game times the number of successive games indicated. The player shall remain on the house premises until the card is played or withdrawn. The caller shall keep the card until the end of the number of games indicated.

8. Electronic live keno equipment must at a minimum use a random selection process to determine the outcome of each game.

III. AUTHORIZED VARIATIONS OF LIVE KENO
(1) Authorized variations of live keno are:
   (a) a straight ticket in which a player picks from one to ten numbers and wagers that the numbers will be duplicated entirely or in part from the group of numbers drawn.
   (b) a split ticket consisting of two or more straight tickets written on a single keno card. Each group on a split ticket is treated as if it were a single straight ticket.
   (c) a way ticket in which a player selects three or more equal groups of numbers which when taken at least two groups at a time comprise several straight ticket combinations.
   (d) a combination way ticket in which a player simultaneously combines any or all of the variations described in subsections (a), (b), and (c).
   (e) a king ticket, in which a single number, commonly known as a king number, is matched with each group of numbers selected. The king number is treated as any circled number group as used in way and combination way tickets.

(2) A group of numbers resulting from combining smaller groups for way, combination way, or king tickets may not exceed a total of 10 numbers.

(3) A player shall clearly identify and separate on his keno card any group of numbers selected for a split, way, combination way, or king ticket by drawing:
   (a) a line between or circle around each group for a split ticket; or
   (b) a circle around each group for a way, combination way, or king ticket.

(4) A keno caller shall record in the margin (sideline) of a keno card each wager made by a player, other than for a straight ticket, by using a standard fractional format that identifies the number of wagers by group size (e.g., 2/4 for two wagers each placed on a different group of four numbers). Only the wagers recorded in the margin (sideline) may be winners. The total amount wagered by the player must be written on the front of the keno card.
APPENDIX I

SPORTS POOLS AND SPORTS TAB GAMES

I. DEFINITIONS

For the purposes of this Agreement, the following definitions apply:

1. "Master square" means that portion of the sports pool card used in a traditional, series, or multiple way sports pool that is divided into spaces representing chances purchased by the participants and containing the name or initials of the participant in the sports pool.

2. "Series of sports events" means two or more sports events involving the same sport that are conducted at the same level (e.g. collegiate, professional).

3. "Sports event" means an athletic game, race or contest involving two or more competitors, who are natural persons or teams comprised of natural persons, in which the winner is determined by score or placement.

4. "Sports pool" means a gambling activity in which a person wagers money for each chance to win money or other items of value based on the outcome of a sports event or series of sports events wherein the competitors in the sports event or series of sports events are natural persons or teams comprised of natural persons.

5. "Sports tab" means a folded or banded ticket with a face covered to conceal a combination of two numbers, with each number ranging from zero through nine.

6. "Sports tab game" means a gambling enterprise conducted on a card to which 100 sports tabs are attached that have 100 different combinations for which consideration in money is paid by the person purchasing each tab. A person may purchase a sports tab from the card for the chance to win money or other items of value on a sports event.

II. DESIGN AND CONDUCT OF SPORTS TAB GAME

1. A sports tab game may be conducted only in conjunction with a single sports event with two competitors. A sponsor may conduct more than one sports tab game for each event.

2. A winner or winners of a sports tab game are determined by matching the appropriate numbers on a participant's sports tab with the only or last digit of the competitors' score at the end of the sports event, and if designated before the event by the sponsor, at intervals during the sports event.

3. Before the sale of any sports tabs in a sports tab game, the sponsor shall describe the game by prominently displaying the following information on the sports tab card or on a board to which the card is attached:
   
   (a) name of the competitors in the sports event;
   
   (b) date of the sports event;
   
   (c) notification of which competitor's score corresponds to the first and second numbers on the sports tab;
   
   (d) name of the sponsor;
   
   (e) cost of a sports tab;
   
   (f) total dollar value of all prizes to be awarded to winners;
(g) total amount to be retained by the sponsor;
(h) dollar amount or type and value of merchandise to be awarded to each winner;
(i) intervals during the sports event for which prizes are to be awarded, if any; and
(j) name of the competitors and the date of the sports event that will be substituted for the original sports event if it is cancelled.

(4) After sale of the sports tabs begins, the sponsor:
(a) may not cancel the sports tab game or alter the game in any manner; and
(b) shall award all prizes at the end of the sports event in accordance with the description required under subsection (3), regardless of whether all tabs on the sports tab card are sold to participants before the start of the sports event.

III. PURCHASE AND SALE OF SPORTS TABS BY SPONSOR

(1) A sponsor may purchase a sports tab card only from a manufacturer licensed by the State or the manufacturer's authorized agent. The sports tab card must contain a sports tab decal.
(2) The total cost of each sports tab on the same sports tab card must be identical and may not exceed $5. A participant shall pay cash for the sports tab at the time the tab is selected.

IV. PRIZES

(1) "Cost of the sports tabs" means an amount that is equal to the amount paid by a participant for a single sports tab multiplied by 100.
(2) If a prize is awarded for scores attained at a predetermined interval during a sports event, the value of the prize awarded at the interval may not exceed the value of the prize awarded for the score at the end of the event.
(3) Except as provided in subsection (6), a sponsor shall pay to the winners of a sports tab game at least 90% of the cost of the sports tabs. The sponsor may retain up to 10% of the cost of the sports tabs.
(4) The total value of all prizes awarded in a sports pool may not exceed $500. Prizes must be in cash or merchandise.
(5) If merchandise is awarded, the purchase price paid for the merchandise is considered to be the value of the prize. Except as provided in subsection (6), if the value of the merchandise is less than 90% of the cost of the sports tabs the difference must be awarded to the winners in cash.
(6) A sponsor who is a nonprofit organization may retain up to 50% of the cost of the sports tabs.
(7) All prizes must be available for distribution to winners immediately at the end of the sports event.

V. SPONSOR RECORDKEEPING REQUIREMENTS
(1) After a winning sports tab is submitted to the sponsor and a prize is awarded, the sponsor shall cancel the tab by whatever means chosen, and attach the cancelled tab to the sports tab card or board. A sports tab that was not sold to a participant must remain attached to the sports tab card.

(2) The sponsor shall retain a sports tab card or board to which the card is attached for at least 1 year after the date of the sports event.

(3) If merchandise is awarded as a prize, the sponsor shall retain proof of the purchase price of the merchandise for 1 year after the date of the sports event.

VI. USE OF SPORTS TABS RESTRICTED

(1) A sports tab may be used only in conducting a sports tab game as described in this Appendix. A sports tab used for any other purpose is an illegal gambling device.

VII. AUTHORIZED SPORTS POOLS

(1) Authorized sports pools described in this section are identified by a title to distinguish one pool type from another. The controlling factor as to the legality of a sports pool is not the pool's title but the method and manner in which the pool is conducted.

(2) The conduct of an authorized sports pool is subject to the provisions of this appendix.

(3) The following sports pools are authorized:

(a) a "traditional sports pool" involving a single sports event with two competitors that is conducted on a sports pool card containing a master square with 25, 50, or 100 spaces. Each space is randomly assigned a unique pair of numbers from the vertical and horizontal axis of the master square. A winner is determined by matching the numbers assigned to a space with the only or last digit of the score of each competitor in the sports event at predetermined intervals during the event or at the end of the event.

(b) a "series sports pool" conducted on a master square in conjunction with a series of sports events. The pair of numbers assigned to each space on the master square remains the same for each sports event in the series. The competitors in each sports event in the series may be individual teams or a combination of teams (e.g., a group of teams designated as home teams versus a group of teams designated as away teams). Spaces must be sold for all events in the series of sports events and may not be sold for individual events. Winners for each sports event in the series are determined:

(i) in the same manner as in a traditional sports pool; or

(ii) in the same manner as in a traditional sports pool for the first sports event in the series. For the second and subsequent events, winners are determined by combining the scores generated by each competitor in the previous events.

(c) a "multiple way sports pool" conducted on a master square with multiple sets of numbers randomly assigned to the horizontal and the vertical axes representing certain intervals of a single sports event or individual sports events in a series of events. Winners are determined in the same manner as in a traditional sports pool.

(d) a "selected point sports pool" in which the winner is the participant whose assigned competitor is the first to attain a final score that matches a predetermined number.
(e.g. 28, 39). If in a given week none of the competitor's score match the predetermined number, the prize is carried over to the next and subsequent weeks until a match occurs. However, the pool must be designed to ensure that a prize does not exceed the value of $500. The number of participants in a selected point sports pool is limited to the number of competitors in an established league. Competitors are randomly assigned to the participants and may be assigned for a single week or the duration of the pool.

(e) a "blackout sports pool" in which the winner is the participant who holds the randomly assigned competitor that first accumulates scores on succeeding weeks whose only or final digit corresponds to all of the numbers zero through nine. A variation of this pool tallies only those scores in which the competitor is the winner of a sports event. The number of participants is limited to the number of competitors in an established league.

(f) a "weekly sweepstakes sports pool" in which a different competitor or competitors are randomly assigned to participants for each week. The winner is determined by the most or least points scored by the competitor or competitors assigned to a participant or by the most games won by the competitors assigned to a participant. The number of participants is limited to the number of competitors in a league or to the maximum combination of competitors in a league.

(g) a "multiple competitor sports pool" in which three or more competitors simultaneously compete in a sports event or series of sports events as individuals, not as a team, such as in a car race or golf tournament. Competitors are randomly assigned to participants, and a pool winner is determined by the score or place that the competitor attains in the sports event or series of sports events.

VIII. SPORTS POOL CARD

(1) A traditional, series, or multiple way sports pool must be conducted on a sports pool card containing a master square.

(a) The master square of the card must be divided into spaces arranged in horizontal rows and vertical columns.

(b) The numbers for each horizontal row and vertical column must be randomly assigned after the person conducting the pool closes the pool to additional sale of spaces but prior to the beginning of the sports event or the first event in a series of sport events. Any unsold spaces at the time the numbers are assigned are considered purchased by the person conducting the sports pool and must be marked in a manner indicating that they may not be sold to another person.

(c) Each space must be represented by a number from both the horizontal row and vertical column.

(d) Each competitor in the sports event must be assigned to either the horizontal or vertical axis of the master square before the beginning of each sports event.
(2) A sports pool card used to conduct an authorized sports pool must be of adequate size to be easily read by participants and observers.

(3) The sports pool card shall, in advance of any sale of any chance, clearly indicate:
   (a) rules for conducting the sports pool;
   (b) name of the sports event or series of events covered by the card;
   (c) name of the competitors in the sports event or series of events, if known;
   (d) date of the sports event or dates of the series of sports events;
   (e) total number of chances available in the pool;
   (f) cost to the participant for each chance;
   (g) total amount to be paid to each winner;
   (h) intervals that a pay-out will be made and the amount of each pay-out;
   (i) name of the person conducting the sports pool;
   (j) name or initials of participants who have purchased chances in the pool;
   (k) amount or value of each individual prize and the total value of all prizes; and
   (l) name of the competitors and the date of a sports event that will be substituted for the original sports event if it is cancelled.

(4) After each prize is awarded, the names of the winners of each prize must be prominently displayed on each card.

(5) A sports pool card must be retained by the person conducting the sports pool until all prizes are awarded or for 30 days after the event or last event in a series of events, whichever occurs first.

IX. SALE OF CHANCES

(1) The total cost of a chance shall not exceed $5 per sports event and must be paid in full and in cash at the time the chance is selected.

(2) If the actual number of sports events conducted as part of a series of events is less than the number of events for which chances were sold, the sponsor shall refund to each participant the money paid for chances on those events that were not conducted. (3) After sale of the chances begins, the person conducting the sports pool:
   (a) may not cancel the sports pool or alter it in any manner; and
   (b) shall award all prizes at the end of the sports event or series of events.

(4) In an authorized sports pool in which a competitor is randomly assigned to each participant purchasing a chance in the pool, a participant may not sell, trade, or otherwise transfer his competitor to another person.

X. DETERMINATION OF WINNERS -- PRIZES

(1) There must be at least one winner from among the participants in a sports pool. A winner or winners are determined by the score or place attained by one or more competitors in the sports event upon which the sports pool is conducted.

(2) The prizes awarded to the winner or winners of a sports pool may be cash or merchandise but must not exceed a total value of $500 per sports event.
(a) Where the prize awarded is merchandise, the purchase price paid for the item(s) of the merchandise prize is considered to be the value of the prize. Proof of the purchase price of the item(s) of the merchandise prize shall be retained for a period of 30 days from the event.

(b) Subject to subsection (4) if the value of the merchandise prize is less than the amount of money paid by all participants for the chance to participate, the person conducting the sports pool shall award the balance in cash to the winner(s).

(3) All prizes must be available for distribution to winners immediately at the end of the sports event or at the end of each sports event in a series of events.

(4) A nonprofit organization may retain up to 50 percent of the value of a sports pool if the amount retained is used to support charitable activities, scholarships or educational grants, or community service activities. The nonprofit organization must maintain and open to inspection upon reasonable demand records to verify the use of the retained portion of the sports pool.
APPENDIX J

RAFFLES

I. DEFINITION

For the purposes of this Agreement, "raffle" means a form of lottery in which each participant pays valuable consideration for a ticket to become eligible to win a prize determined through a random selection process.

II. CONDITIONS

A raffle regulated by the Tribes must comply with the following conditions:

1. A permit must be obtained from the Tribal Council for each raffle conducted within its jurisdiction. The permit must be issued before the raffle may be conducted. A permit fee or an investigative fee may not be charged for a raffle conducted by a religious corporation sole or nonprofit organization if the organization presents sufficient documentation of its nonprofit status.

2. Except for a religious corporation sole or a nonprofit organization, a person or organization conducting a raffle shall own all prizes to be awarded as part of the raffle before the sale of any tickets.

3. A person who has conducted a raffle must submit an accounting to the Tribal Council within 30 days following the completion of the raffle.

4. The sale of raffle tickets authorized by this part is restricted to events and participants within the geographic confines of the Reservation.

5. The value of a prize awarded for an individual ticket for a raffle conducted by a person or an organization, other than a religious corporation sole or a nonprofit organization, may not exceed $5,000. The prize may be in the form of cash, other intangible personal property, tangible personal property, or real property. Prizes may not be combined in any manner to increase the ultimate value of the prize awarded for each ticket.

6(a) In addition to complying with the requirements of subsections (1), (3) and (4), a religious corporation sole or a nonprofit organization shall provide the following information to the Tribal Council when applying for a raffle permit:

(i) the cost and number of raffle tickets to be sold;
(ii) the charitable purposes the proceeds of the raffle are intended to benefit; and
(iii) the proposed prizes and their value.

(b) The proceeds from the sale of tickets for a raffle conducted by a religious corporation sole or a nonprofit organization may be used only for charitable purposes or to pay for prizes. Proceeds may not be used for the administrative cost of conducting the raffle.

(c) The value of a prize awarded for an individual ticket for a raffle conducted by a religious corporation sole or a nonprofit organization may equal or exceed $5,000 if the prize is in the form of tangible personal property. If the value of the prize is less than $5,000, the prize may be in the form of cash, other intangible personal property, tangible personal property, or real property.

7. The following random selection processes are authorized for use in determining a winner of a raffle:

(a) a drawing from a drum or other receptacle containing raffle ticket stubs or other suitable indicators of the ticket purchaser's identity that have been thoroughly mixed before the drawing; and
(b) selection by any other process if:

(i) the process is reasonably assured of being random and is not connected to an event that has its own intrinsic significance (e.g., a sports event, game of chance, contest); and

(ii) the indicator of the raffle ticket purchaser's identity reasonably assures the random selection of a winner.