

AMENDMENT

to the

TRIBAL-STATE COMPACT

Between the

ST. REGIS MOHAWK TRIBE

and the

STATE OF NEW YORK

THIS AMENDMENT TO THE TRIBAL-STATE COMPACT made and entered into by and between the ST. REGIS MOHAWK TRIBE, a federally-recognized Indian Tribe, and the STATE OF NEW YORK, pursuant to the provisions of the federal Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. 2701 et seq.

WITNESSETH:

WHEREAS, the St. Regis Mohawk Tribe is a federally-recognized Indian Tribe, possessing all sovereign powers and rights thereto pertaining; and

WHEREAS, the State of New York is a sovereign state of the United States with all rights and powers thereto pertaining; and

WHEREAS, the Congress of the United States has enacted into law the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. 2701, et seq., which provides in part that a tribal-state compact may be negotiated between a tribe and a state to govern the conduct of certain gaming activities which constitute Class III gaming for purposes of the Act on the Akwesasne Reservation within the State; and

WHEREAS, the St. Regis Mohawk Tribe has determined, after consultation with counsel, duly qualified and informed consultants, professionals, and gaming and business experts, that this Amendment to the Compact confers upon the Tribe substantial and significant economic advantage and benefit consistent with the goals of the federal Indian Gaming Regulatory Act, and permits the Tribe to exclusively operate consistent with the terms of this Amendment slot machines on their presently held reservation or territory that they could not otherwise lawfully operate without this Amendment. Therefore, the Tribe voluntarily agrees to a contribution to the

State as set forth below.


WHEREAS, the St. Regis Mohawk Tribe and the State of New York have previously negotiated a Compact pursuant to the provisions of the federal Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. 2701 et seq., and upon approval of this Amendment all provisions of that Compact and its Appendices shall be given full accord.

NOW, THEREFORE, the ST. REGIS MOHAWK TRIBE and THE STATE OF NEW YORK do enter into an Amendment to the Tribal-State Compact as provided for herein.

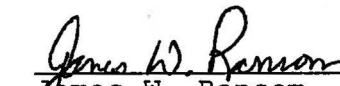
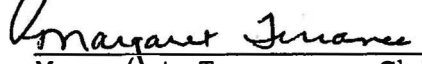
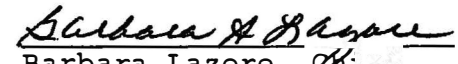
STATE OF NEW YORK

ST. REGIS MOHAWK TRIBE

By:

  
George E. Pataki, Governor

By:

  
James W. Ransom, Chief  
  
Margaret Terrance, Chief  
  
Barbara Lazore, ~~Ch.~~

Section 1. A new section XXVII is added to the Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix A: Approved Games to read as follows:

**XXVII. Slot Machines**

- (a) Definition. A slot machine shall be defined as a video facsimile or slot machine which means any mechanical, electrical or other device, contrivance or machine, which upon insertion of a coin, currency, token or similar object therein, or upon payment of any consideration whatsoever, 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 machine to receive cash or tokens to be exchanged for cash or to receive any merchandise or thing of value, whether the payoff is made automatically from the machine or in any other manner whatsoever.
- (b) Applicability of Compact Section 13. With respect to any rights that the Tribe may have to games contained within Section 9 of Appendix A and specifications contained within Section 76 of Appendix B of the Nation-State Gaming Compact between the Seneca Nation of Indians and the State of New York (Seneca Compact), the Tribe shall be authorized to install and operate only slot machines and the Tribe understands it is not authorized to install or operate "video lottery gaming devices" and shall accept "slot machine" authorization in full satisfaction of any right to install or operate "gaming devices" as such terms are defined in Appendix A of the Seneca Compact;
- (c) Exclusivity. The State shall agree that the Tribe shall enjoy Indian exclusivity with regard to the installation and operation of, and no other person or entity other than an Indian nation or tribe shall be permitted to install or operate, slot machines within the geographic area defined by the counties of Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, St. Lawrence and Warren; in the event that the State were to breach the aforementioned exclusivity with the Tribe, the Tribe's revenue share obligations, as set forth below, shall no longer apply.
- (d) State Contribution. In exchange and consideration for this exclusive franchise, the Tribe shall contribute to

the State a portion of the proceeds from slot machines, based on the net drop of such machines (money dropped into machines, after payout but before expense), according to the following schedule: in years one through four, eighteen percent; years five through seven, twenty-two percent; and in years after seven, twenty-five percent. Payments for the first year will be made on an annual basis and all payments thereafter shall be made quarterly.

- (e) Minimum levels of activity. The Tribe shall install and operate on a continuous basis no less than one thousand slot machines beginning no later than one year after the governor's certification as set forth below; provided, however, that the Tribe shall install and operate on a continuous basis no less than seven hundred fifty slot machines within one hundred eighty days after such certification.
- (f) Video lottery gaming devices. The Tribe agrees not to operate or conduct devices known as video lottery gaming devices. For purposes of this exclusion, video lottery gaming devices shall be defined as a network of five or more player terminals, connected to the on-line system, with touch-screen, button-controlled video screen or other electronic display devices, including but not limited to single or multi-stage displays, secondary electronically-controlled displays such as wheels, dice, or other displays or other such devices operated by the New York Lottery as a result of implementation of Part C of Chapter 383 of the Laws of 2001, as amended. The Tribe further agrees not to seek such devices pursuant to Compact Section 13 (c).
- (g) Operation and conduct. Slot machines shall be operated in accordance with the specifications set forth in Appendix B, Section 32.

§2. Section 1 of the Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby repealed and replaced with the following:

**1. Definitions.**

"Accounting Department" is that department established in the Tribal Gaming Operation's system of organization in accordance with these Standards;

"Accumulated credit payout means credit earned in a slot machine that is paid to a customer manually;

"Actual hold percentage" means the percentage calculated by dividing the win by the drop or cash-in;

"Bill validator" (or "currency acceptor") means a device that accepts and reads currency by denomination in order to accurately register customer credits at a slot machine;

"Board" shall mean the New York State Racing and Wagering Board, its authorized officials, agents and representatives acting in their official capacities or such other agency of the State as the State may from time to time designate by written notice as the State agency responsible for the regulation of Class III Gaming jointly with the Tribal Gaming Agency;

"Boxperson" refers to an individual assigned to supervise other individuals operating certain table games authorized in Appendix A of this Compact;

"Cage Cashiers" are the Cashiers performing any of the functions in the Cashier's Cage as set forth in these Standards;

"Cash Equivalent" means a Treasury check, a travelers check, wire transfer of funds, money order, certified check, cashiers check, a check drawn on the Tribe account of the Tribal Gaming Operation payable to the Player or to the Tribal Gaming Operation, or a voucher recording cash drawn against a credit card or charge card;

"Cash-out ticket" or "Redemption Ticket" means an instrument of value generated by a slot machine representing a monetary amount owed to a customer at a specific slot machine;

"Cash-in meter" means the meter that displays the total amount wagered in a slot machine which includes cash-in and credits played;

"Chief Financial Officer" is the senior executive of the Tribal Gaming Operation with overall responsibility for its Internal and Accounting Controls, who shall report to the Chief operating officer;

"Chief Operating Officer" is the senior executive of the Tribal Gaming Operation exercising the overall management or

authority over all the operations of the Tribal Gaming Operation and the carrying out by employees of the Tribal Gaming Operation of their duties;

"Closer" means the original of the Table Inventory Slip upon which each table inventory is recorded;

"Commission" means the Tribal Gaming Agency;

"Compensation" means direct or indirect payment for services performed including, but not limited to, salary, wages, bonuses, deferred payments, overtime and premium payments;

"Coin(s)" shall include token(s);

"Count" means the total funds counted for a particular game, slot machine, shift, or other period approved in writing by the Commission and the Board;

"Count room" means a room where the coin and cash drop from slot machines, table games or other games are transported to and counted;

"Counter Check" is the document reflecting a payment by a Player at a gaming table drawn on a form prepared by the Tribal Gaming Operation against a checking account of the Player in accordance with these Standards;

"Credit Slip" (known as a "Credit") is the document reflecting the removal of gaming chips, coins and plaques from a gaming table in accordance with these Standards;

"Croupier" refers to an individual assigned to operate those table games described in Appendix A of this Compact. The term 'Croupier' is intended to be used interchangeably with the term 'Dealer';

"Currency acceptor" (also known as a "bill validator"), means the device that accepts and reads currency by denomination in order to accurately register customer credits at a slot machine;

"Currency acceptor drop" means cash contained in currency acceptor drop boxes;

"Currency acceptor drop box," also known as a "cash storage box," means a box attached to currency acceptors used to contain currency received by currency acceptors;

"Currency acceptor drop box release key" means the key used to release a currency acceptor drop box from a currency acceptor device;

"Currency acceptor drop box storage rack key" means the key used to access a currency acceptor drop box from inside a storage rack;

"Dealer" refers to an individual assigned to operate those table games described in Appendix A of this Compact. The term 'Dealer' is intended to be used interchangeably with the term 'Croupier';

"Drop Box" is the metal container attached to a gaming table for deposit of cash and certain documents received at a gaming table as provided by these Standards;

"Drop box storage rack key" means the key used to access a drop box from inside a storage rack;

"Drop bucket" means a container located in the drop cabinet (or in a secured portion of the slot machine) for the purpose of collecting coins and tokens from the slot machine;

"Drop cabinet" is the wooden or metal base of the slot machine which contains the slot machine drop bucket;

"Enhanced payout" means a Class III game offered and sponsored by the Tribal gaming operation in which gaming patrons participate in a gambling game or an approved variation of a gambling game and thereby qualify for receiving, upon a specified outcome in the gambling game or the occurrence of a specified event, a payment or thing of value approved in writing by the Commission and the Board in excess of published payouts contained in the System of Internal Controls approved in writing by the Commission and the Board;

"EPROM" means erasable programmable read-only memory;

"Fill Slip" (known as a "Fill") is the document reflecting the distribution of gaming chips, coins and plaques to a gaming table as provided in these Standards;

"Financial statement" means any of the following:

- (1) Balance sheet;
- (2) Income statement;

- (3) Profit and loss statement;
- (4) Statement of cash flow; and
- (5) Sources and uses of funds statement;

"Floor pars" means the sum of the theoretical hold percentages of all slot machines within a slot machine denomination weighted by the cash-in contribution;

"Game server" means an electronic selection device, utilizing a random number generator;

"Gaming Facility" means any Gaming Facility as defined in the Compact in which a Tribal Gaming Operation is conducted;

"Gaming Facility Supervisor" or "Supervisor" is a reference to a person in a supervisory capacity and required to perform certain functions under these Standards, including but not limited to, Pit Bosses, Gaming Facility Shift Managers, the Assistant Gaming Facility Manager and the Gaming Facility Manager;

"Handle" means the total amount of coins, slot tokens, currency and electronic credits invested by a patron to activate the play of a slot machine;

"Hold" means the relationship of win to cash-in or coin-in for slot machines;

"Hopper inventory level" means the total dollar value of the initial fill of a slot machine hopper or an adjusted total that includes any subsequent increase in the total dollar value of the initial fill;

"Imprest Basis" means the basis on which Cashier's Cage funds are replenished from time to time by exactly the amount of the net expenditures made from the funds and amounts received and in which a review of the expenditure is made by a higher authority before replenishment;

"Incompatible Function" means a function, for accounting and internal control purposes, that places any person or department in a position to both perpetrate and conceal errors or irregularities in the normal course of his or her duties. Anyone both recording transactions and having access to the relevant assets is in a position to perpetrate errors or irregularities. Persons may have incompatible functions if



such persons are members of departments which have Supervisors who are not independent of each other;

"Independent Certified Public Accountant" means a Professional Accountant suitably qualified and sufficiently independent to act as Auditor of the Tribal Gaming Operation;

"Independent gaming test laboratory" is a laboratory that shall perform the functions of and has been qualified consistent with the requirements of Compact Paragraph 10;

"Inspector" means an employee of the Tribal Gaming Agency duly appointed by the Tribal Gaming Agency as an Inspector;

"Internal Control System" or "System of Internal Controls" means the internal procedures, administration, and accounting controls designed by the Tribal gaming operation for the purpose of exercising control over the Class III gaming operation and its assets;

"Internal audit" means individuals who perform an audit function of a Tribal gaming operation that are independent of the gaming facility department subject to such audit. Independence shall be obtained through the organizational reporting relationship as the internal audit department shall not report to management of the Tribal gaming operation. Internal audit activities shall be conducted in a manner that permits objective evaluation of areas examined and the results of internal audits are to be communicated to management;

"Jackpot" means any money, merchandise or thing of value to be paid to a patron as the result of a specific combination(s) of characters indicated on a slot machine;

"Jackpot payout" means a total payout or the portion of a jackpot paid by slot machine personnel;

"Jackpot payout slip" means a form on which the amount of a jackpot paid by slot machine personnel is recorded;

"Location number" means the unique number assigned to each site on a gaming floor that contains the following: a pit and each gaming table located therein;

"Marker" means an electronic or written document that evidences an extension of credit to a patron by the Tribal gaming operation, including any writing taken in consolidation, redemption, or payment of a previous marker;

"Main bank" means the Tribal gaming operation department that is responsible for at least all of the following:

- (1) Cashing customer checks;
- (2) Establishing hold check privileges;
- (3) Redeeming chips;
- (4) Providing working funds to all operational departments;
- (5) Deposits of front money;
- (6) Maintaining custody of all inventory;
- (7) Processing markers; and
- (8) Assuming responsibility for all of the following individuals and physical structures:
  - a. Cashiers;
  - b. Main bank vault or vaults; and
  - c. Any other structure that houses chips or other representatives of value that the main bank is accountable for;

"Master Game Report" means a record of the computation of the win or loss for each gaming table, for each game and each shift;

"Master slot machine payout form" means a document used to log all progressive jackpots and amounts won greater than \$1,200;

"Master game program number" means the game program number listed on a slot machine EPROM;

"Meter" means an electronic (soft) or mechanical (hard) apparatus in a slot machine used to count something;

"Multi-game slot machine" means a slot machine that includes more than one type of game option;

"On a daily basis" means something which occurs or is performed each gaming day;

"One-on-one continuous surveillance" means that a surveillance employee is dedicated to continuously monitor a given area without interruption or distraction;

"Opener" means the duplicate copy of the Table Inventory Slip upon which each Table Inventory is recorded and serves as the record of each Table Inventory at the time of the opening of each Table;

"Par percentage" means the percentage of each dollar wagered that the house wins (i.e., Tribal gaming operation advantage);

"Par sheet" means a specification sheet for a slot machine that provides slot machine hold percentage, model number, hit frequency, number of coins that can be accepted and listing;

"Patron Cash Deposit" means an amount of cash, cash equivalent, gaming chips or plaques deposited with the Gaming Facility by a Player for his or her subsequent use;

"Payout" means the winnings that result from a wager;

"Photographic identification" means a driver license or other piece of identification which is issued by a governmental entity and which has a photograph of the individual affixed to, or otherwise part of, the document;

"PIN" means the personal identification number selected by player and used to access that player's account;

"Pit" means an arrangement of gaming tables in which Gaming Facility personnel administer and supervise the games played at the tables by the Players located on the outside perimeter of the arrangement;

"Pit Clerk" means the person located at a desk in the Pit to prepare, under the supervision and direction of the Cage Manager, documentation required for the operation of games including but not limited to, Requests for Fills, Requests for Credits and Counter Checks;

"Primary and secondary jackpots" means promotional pools offered at certain slot machines that can be won in addition to the primary prize;

"Progressive controller" means the hardware and software that controls all communication among the live gaming within a progressive slot machine link or a progressive gaming table

link and its associated progressive meter;

"Progressive jackpot" means a value determined by application of an approved formula to the income of independent, local, or interlinked live slot machines;

"Progressive slot machine" means a slot machine, with a payoff indicator, in which the payoff increases as it is played. The payoff amount is accumulated, displayed on a slot machine and shall remain until a player receives the number(s), color(s) and/or symbol(s) that result in the progressive amount being paid or until the progressive payoff pool is transferred to another progressive payoff pool as approved in writing by the Commission and the Board;

"Progressive jackpot" means a deferred payout from a progressive slot machine;

"Public area" means the areas in the gaming facility that are open to the public in accordance with the Tribal gaming operation's approved System of Internal Controls;

"Random number generator" means a device that is certified to generate numbers in the absence of a pattern by an independent gaming test laboratory;

"Request for Credit" is the document reflecting the authorization for preparation of a credit with respect to removal of gaming chips, coins and plaques from a gaming table in accordance with these Standards;

"Request for Fill" is the document reflecting the request for the distribution of gaming chips, coins and plaques to a gaming table as provided in these Standards;

"Restricted areas" means, for purposes of this Appendix, the cashier's cage, the hard count room, the soft count room, the interior of gaming table game pits, the surveillance room, the specific areas designated and approved by the Commission and Board in writing for the possession and maintenance of gaming equipment that supports the conduct of gaming in the gaming facility, the areas used for storing or destroying dice or cards, any additional area that the Tribal gaming operation designates as restricted in its internal controls, and any other area specifically designated by the Commission and the Board in writing as restricted;

"Secure storage facility" means any area, room, furniture,

equipment, machinery or other device used by the Commission for the storage of confidential information, access to which is limited to authorized personnel at all times by locks, alarms, codes or other appropriate security precautions;

"Sensitive keys" means keys that either gaming facility supervisor or the Commission considers sensitive to the Tribal gaming operation and therefore require strict control over custody and issuance, in accordance with the Tribal gaming operation's approved System of Internal Controls and this Appendix;

"Shift" means the normal daily work period of a group of employees administering and supervising the operations of table games and Cashiers' Cage working in relay with another such succeeding or preceding group of employees;

"Slot cash storage box" has the meaning set forth in Section 16(c) of this Appendix B;

"Slot machine" shall have the meaning as provided in Appendix A, Section XXVII;

"Slot machine analysis report" means a report prepared that compares theoretical hold to actual hold by a slot machine on a monthly or other periodic basis approved in writing by the Commission and the Board;

"Slot machine bill-in meter" means a meter included on a slot machine that tracks the number of bills inserted into a slot machine's currency acceptor;

"Slot machine count" means the total amount of coins and tokens removed from a slot machine drop bucket. The amount counted is entered on the slot machine count Sheet and is considered the drop. Also, refers to the procedure of counting the coins and tokens or the process of verifying slot machine coin and token inventory;

"Slot machine count team" means personnel that perform the count of the slot machine drop;

"Slot machine drop" means the amount of coins and slot tokens in a slot drop bucket or slot drop box, the amount of currency and coupons in a slot cash storage box, and the amount of electronic credits withdrawn from patron accounts;

"Slot machine payout sheet" means a list of the slot machine

payouts;

"Slot machine game mix" means the type and number of games in a multiple game slot machine;

"Slot machine monitoring system" means a system used by a Tribal gaming operation to monitor slot machine meter reading activity on an online basis;

"Slot machine pay table" means the combinations illustrated on the face of the slot machine that can identify payouts of designated credits;

"Slot machine weigh/count and wrap" means the comparison of the weighed slot machine drop to counted and wrapped coin;

"Slot machine win" means the amount determined by subtracting the hopper fills, other than initial fills of slot machine hoppers and hopper storage areas or any subsequent increases to those initial fills, and cash payouts from the slot machine drop;

"Soft count" means the count of the contents in a drop box or currency acceptor or the process of counting the currency removed from all slot machines following a currency drop;

"Table Game Drop" means the sum of the total amounts of currency, issuance copies of counter checks and coin removed from a drop box;

"Table Game Win or Loss" is determined by adding the amount of cash, issuance copies of counter checks, or coin, the amount recorded on the Closer, removed from a Drop Box on the Opener and the total of the amounts recorded on fills removed from a Drop Box;

"Terminal number" means a unique number assigned to identify a single slot machine in the gaming facility;

"Theoretical hold" means the intended hold percentage or win of an individual slot machine as computed by reference to its payout schedule and EPROM;

"Theoretical hold worksheet" means a worksheet provided by the manufacturer for all slot machines which indicate the theoretical percentages that the slot machine should hold based on adequate levels of coin-in or cash-in. The worksheet also indicates the number of coins and/or credits that may be

played, the payout schedule and other information descriptive of the particular type of slot machine required in writing by the Commission and the Board;

"Tokens" means a coin-like money substitute, in various denominations, used for gambling transactions;

"Tribal gaming operation check" means a check which is drawn by the Tribal gaming operation upon their account at a banking institution and made payable to a person in redemption of the Tribal gaming operation's gaming chips, in return, either in whole or in part, of a person's deposit on account with the Tribal gaming operation, or for winnings from keno payoffs, slot jackpot payout or gaming table progressive payouts. At a minimum, such identification method utilized for issuing a Tribal gaming operation check shall include an endorsement or imprinting on the check which indicates that the check is issued in redemption of gaming chips, in return of funds on account with the Tribal gaming operation or for winnings from keno payoffs, slot jackpot payout or gaming table progressive payouts;

"Value chip" means a chip that is clearly and permanently impressed, engraved, or imprinted with the name of the Tribal gaming operation's trade name and the specific monetary denomination of the chip;

"Wager" means an item that is representative of value risked on a Class III gaming activity game authorized under Appendix A of the Compact;

"Weigh count" means the value of coins as determined by a weigh scale;

"Weigh scale calibration module" means the device used to adjust a coin weigh scale;

"Weigh scale interface" means a communication device between the weigh scale used to calculate the amount of funds included in drop buckets and the computer system used to record the weigh data;

"Weigh tape" means the printout where weighed coin is recorded;

"Wide area progressive slot machine" means a progressive slot machine that makes immediate or deferred payouts where individual slot machines are linked to slot machines in other

operations and all the slot machines affect the progressive amount. As a coin, token or currency is inserted into a single slot machine, the progressive meter on all of the linked slot machines increases;

"Win" means the net win resulting from all gaming activities. Net win results from deducting all gaming losses from all wins prior to considering associated operating expenses;

"Wire transfer" means a transfer of funds by means of the Federal Reserve Bank wire system in accordance with the requirements of 12 C.F.R. 210.25 et seq. and the Compact and its Appendices;

"Wrap" means the procedure of wrapping coins. May also refer to the total amount or value of the wrapped coins;

§3. Section 8 of the Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is amended by adding new subdivision 7 and 8 to read as follows:

- (7) Personnel assigned to the operation and conduct of slot machines. The following personnel shall be used to maintain and operate the slot machines and bill changers in an establishment:
  - (a) Slot mechanics employed by the Tribal gaming operation shall be the persons assigned the responsibility for repairing and maintaining slot machines and bill changers in proper operating condition and participating in the filling of payout reserve containers (hoppers);
  - (b) Slot attendants shall be the persons assigned the responsibility for the operation of slot machines and bill changers, including, but not limited to, participating in manual jackpot payouts and filling payout reserve containers. At the discretion of the Tribal gaming operation, slot attendants may also accept currency and coupons from patrons in exchange for currency obtained from an imprest fund issued by the cashier's cage, the master coin bank or a slot booth in accordance with internal control procedures;
  - (c) Slot supervisors shall be the first level supervisors assigned the responsibility for



directly supervising the operation of slot machines and bill changers;

- (d) Slot shift manager shall be the second level supervisor with the responsibility for the overall supervision of the slot machine and bill changer operation for each shift; and
  - (e) If the Tribal gaming operation chooses to establish an independent slot department, the slot department manager shall be the executive assigned the responsibility and authority for the supervision and management of the overall operation of the Tribal gaming operation's slot machines and bill changers including, without limitation, the hiring and terminating of all slot department personnel and the creation of high employee morale and good customer relations, all in accordance with the policies and practices established by the Tribal gaming operation's board of directors or non-corporate equivalent. In the absence of the slot department manager, the slot shift manager shall have the authority of the slot department manager.
- (8) Nothing in this section shall be construed to limit the Tribal gaming operation from utilizing personnel in addition to those described herein, nor shall anything in this section be construed to limit the discretion of the Commission to order the utilization of additional personnel by the Tribal gaming operation necessary for the proper conduct and effective supervision of the Tribal gaming operation.

§4. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**32. Design requirements and equipment standards for slot machines**

- (a) General design requirements.
  - (1) Physical hazards. Each slot machines' electrical and mechanical parts and design principals shall not subject a player to physical hazards.
  - (2) Power switches. Each slot machine shall have an on/off switch that controls electrical current.

Such switch shall be located in a place readily accessible within the interior of the device and shall not be accessible from the device's exterior. The on/off positions of the switch shall be clearly labeled.

- (3) Power surges. Each slot machine shall not be adversely affected, other than through resets, by surges or dips of  $\pm$  twenty (20) percent of the power supply voltage. It shall be acceptable for the equipment to reset provided no damage to the equipment or loss or corruption of data is experienced.
- (4) Cheating resistance. Each slot machine shall be able to withstand, at a minimum, the following tests, as conducted by the independent gaming test laboratory, and resume play without requiring intervention:
  - a. Random number generator. The random number generator and random selection process shall be impervious to influences from the device's exterior, including, but not limited to, electro-magnetic interference, electro-static interference, and radio frequency interference;
  - b. Electro-Magnetic Interference. Slot machines shall not create electronic noise that affects the integrity or fairness of neighboring slot machines or associated equipment;
  - c. Electro-Static Interference. Slot machines shall be protected against static discharges. Each slot machine's conductive cabinet shall be grounded in such a way that static discharge energy shall not damage or inhibit the normal operation of the electronics or other components within the slot machine. Slot machines may exhibit temporary disruption when subjected to a significant electro-static discharge greater than human body discharge, but they shall exhibit a capacity to recover and complete any interrupted play without loss or corruption of any control or data information associated with the slot machine. Such tests shall be conducted with a severity

level of a minimum of 27KV air discharge;

- d. Radio Frequency Interference (RFI). Slot machines shall not divert from normal operation by the application of RFI at a frequency range from twenty-seven (27) to one thousand (1,000) MHZ with a field strength of three (3) volts per meter;
- e. Magnetic Interference. Slot machines shall not be adversely affected by magnetic interference. Manufacturers of slot machines shall supply an independent gaming test laboratory and the Commission and the Board with documentation that the slot machine has had magnetic interference testing against any recognized standard; and
- f. Liquid Spills. Liquid spills applied to the exterior of a slot machine shall not affect the normal operation of the device, the integrity of the material or information stored inside the cabinet, or the safety of the players operating the equipment. If liquids are spilled into a coin acceptor or bill acceptor, the acceptor shall reject all inputs and/or generate an error condition.

(5) Error correction capability

- a. Generally. Each slot machine shall be capable of detecting and displaying the following error conditions and illuminating the tower light and/or sounding an audible alarm. Error conditions shall be cleared either by an authorized gaming employee or upon initiation of a new play sequence:
  - 1. Coin-in jam;
  - 2. RAM error;
  - 3. Low RAM battery (for batteries external to the RAM itself) or low power source;
  - 4. Currency-in jam;
  - 5. Program error or authentication mismatch;

6. Door open (including bill acceptor);
7. Reverse coin-in (coin traveling wrong way through acceptor); and
8. Power Reset.

For games that use error codes, a description of slot machine error codes and their meanings shall be affixed in an approved area of the slot machine's interior. Video-based games that do not use error codes shall display meaningful text as to the error conditions.

- b. Door open procedures. When the slot machine's main door is opened, the game shall cease play, enter an error condition, display an appropriate error message, disable coin acceptance and bill acceptance, and either sound an alarm or illuminate the tower light or both.
- c. Door close procedures. When a slot machine's main door is closed, the game shall automatically return to its original state and display an appropriate error message, until the next game has ended.
- d. Program interruption. After a program interruption (e.g., power down), the software shall be capable of recovering to the state it was in immediately prior to the interruption occurring.
- e. Program resumption. On program resumption, the following procedures shall be performed as a minimum requirement:
  1. No communication to an external device shall commence until the program resumption routine, including self-testing, is completed successfully;
  2. Slot machine control programs shall test themselves for possible corruption due to failure of the program storage media. The authentication may use the checksum; however, it is preferred that the Cyclic

Redundancy Check (CRC) calculations be used as a minimum (at least 16 bit). Other test methodologies shall be of a type certified by an independent gaming test laboratory; and

3. The integrity of all critical memory shall be checked.
- (6) Test or diagnostic mode requirements. When a slot machine is placed in a test mode, any test that incorporates credits entering or leaving the slot machine shall be completed on resumption of normal operation. In addition, there shall not be any test mode that increments any of the slot machines.
- a. Contents of critical memory. Critical memory shall store all data that is vital to the continued operation of the slot machine; which shall include, but not be limited to:
    1. All electronic meters required in the slot machine including last bill data, power up and door open metering;
    2. Current credits;
    3. Slot machine/game configuration data;
    4. Information pertaining to the last five (5) plays including the random number generator outcome (including the current game, if incomplete); and
    5. Software state (the last normal state the slot machine software was in before interruption).
  - b. Entry to test or diagnostic mode. The main cabinet door of the slot machine may automatically place the Slot machine in a service or test-mode. Test/diagnostics mode may also be entered, via an appropriate instruction, by an authorized gaming employee during an audit mode access.
  - c. Exiting from test or diagnostic mode. When exiting from test mode, the game shall return

to the state it was in immediately prior to entering the test mode.

- d. Test games. When a slot machine is in a game test mode, it shall clearly indicate that it is in a test mode, not normal play.
  - e. Function of RAM reset. Following the initiation of a RAM rest procedure, the game program shall execute a routine which initializes RAM to the default state.
- (7) Electronics and wiring specifications. Each slot machine shall conform to the following electronics and wiring specifications:
- a. Printed circuit board. The following requirements for printed circuit board identification shall be met for each slot machine:
    - 1. Each printed circuit board shall be identifiable by a name or number and revision level approved in writing by the Commission and the Board;
    - 2. The top assembly revision level of the printed circuit board shall be identifiable. However, if track cuts and/or patch wires are added to the printed circuit board, then a new revision number or level shall be assigned to the assembly; and
    - 3. Manufacturers shall ensure that the circuit board assemblies used in their slot machines conform functionally with the documentation and the certified versions of those printed circuit boards that were evaluated and certified by an independent gaming test laboratory.
  - b. Patch wires. All patch wires and track cuts shall be documented in accordance with the relevant service manual and/or service bulletin which shall be approved by an independent gaming test laboratory.

c. Hardware switches and jumper requirements. All hardware switches or jumpers shall be fully documented for evaluation and approved by an independent gaming test laboratory. Hardware switches may be installed to control aspects of the player terminal that do not affect the game function, game outcome, or the game's payout percentages, if certified by an independent gaming test laboratory.

(8) Last play information requirements. Each machine shall be capable of providing last play information for, at minimum, the last five (5) plays. Such information shall be retrievable through the operation of an external key-switch or another secure method approved by the Commission and the Board in writing. Last play information shall include all values shall be displayed, including the initial credits, credits bet, credits won, and credits paid. If a progressive prize is awarded, it shall be sufficient to indicate that a progressive prize was awarded and not display the value of such prize.

(b) Required slot machine areas

(1) Logic door and logic area. The logic area is a locked cabinet area (with its own separately locked door), which houses electronic components that may have the potential to significantly influence the operation of the slot machine. There may be more than one (1) such logic area in a slot machine. The following electronic components shall be housed in one (1) or more logic areas:

a. CPUs and other electronic components involved in the operation and calculation of game play (e.g., game controller electronics and components housing the game or system firmware program storage media);

b. Electronics involved in the operation and calculation of game result determination;

c. Electronics involved in the calculation of game display, and components housing display program storage medium (passive display equipment exempted); and

- d. All flash memory devices that affect the game play function of the slot machine.

Notwithstanding the foregoing, communication controller electronics and components housing the communication program storage media, or the communication board for the on-line system, may be secured in an area external of the slot machine, if approved in writing by the Commission and the Board.

- (2) Coin and currency compartments. Each coin and currency compartment shall be locked and keyed separately from the main cabinet area and shall be secured as follows:

- a. Access to the currency storage area shall be secured via separately keyed locks and shall be protected by sensors that indicate whenever a door is opened or closed or a currency stacker is removed.

- b. Access to the currency storage area(s) shall be through two (2) levels of locks (the relevant outer door plus one other door or lock) before the receptacle or currency can be removed.

- (3) Printer location. If a slot machine is equipped with a printer, it shall be located in a key-locked area of the slot machine requiring the opening of the main door to access it but not in the logic area or the drop box area.

- (4) Player terminal identification. Each slot machine shall have a permanent metal identification plate which shall be mounted in a manner that does not permit its removal without leaving evidence of tampering. Such identification plate shall be permanently affixed to a location on the exterior of the cabinet by the manufacturer in a location approved in writing by the Commission and the Board and shall list, at a minimum, the following information:

- a. The manufacturer;

- b. A unique serial number;



- c. The slot machine model number; and
  - d. The date of manufacture.
- (5) External doors, compartment requirements.
- a. The interior of a slot machine shall not be accessible when all doors are closed and locked;
  - b. Doors shall be manufactured of materials suitable for allowing only authorized access to the interior of the cabinet. Doors and their associated hinges shall be capable of withstanding reasonable efforts to gain access to the interior of the slot machine and shall leave evidence of tampering if an illegal entry is made;
  - c. The opening between the cabinet and the door of a locked area shall be designed to resist the entry of objects;
  - d. The tower light required in subdivision (c) (2) below shall automatically illuminate whenever a door to a slot machine, or doors to any devices connected to a slot machine which may affect the operation of that slot machine, are opened. This requirement may be substituted with an audible alarm and/or a common candle for devices designed in such a manner as to preclude the positioning of a top mounted light. The alarm shall be designed to activate whenever the interior of the device is accessed;
  - e. All external doors on each slot machine shall be locked and monitored by door access sensors at all time which shall detect and report all external door openings to both the device by the way of an error message and to the Online system. A slot machine shall not be required to cease game play when its drop box door is opened, but access shall be immediately reported to the Online system and shall illuminate the device's tower light and/or activate an audible alarm;

- f. Each slot machine shall be designed so as to prevent the insertion of any mechanism into the slot machine that can disable a door open sensor when the device's door is shut without leaving evidence of tampering;
- g. The sensor system shall register a door as being open whenever the door is moved from its fully closed and locked position.

(c) Required slot machine components

- (1) Drop boxes. Each slot machine equipped to accept coins or tokens shall meet the following requirements:
  - a. Each slot machine shall contain a separate drop bucket or drop box to collect and retain all coins or tokens that are diverted into the drop box;
  - b. A drop bucket shall be housed in a locked compartment separate from any other compartment of the slot machine; and
  - c. Each slot machine shall be equipped to monitor the drop box area at all times.
- (2) Tower lights. Except as otherwise provided, each slot machine shall have a light located conspicuously on its uppermost surface that automatically illuminates whenever:
  - a. A player has won a prize in an amount exceeding the threshold amount for which a Redemption Ticket can be printed;
  - b. A player is entitled to credits in an amount exceeding the threshold amount of credits the device can award;
  - c. An error condition has occurred, and
  - d. The 'Call Attendant' condition has been initiated by the player.
- (3) Display monitors. Each slot machine's display monitor shall conform to the following

specifications:

- a. Touch screens (if applicable) shall be accurate and, once calibrated, shall maintain that accuracy for at least the manufacturer's recommended maintenance period;
- b. A touch screen (if applicable) shall have the capability of being re-calibrated by authorized gaming employees without accessing the slot machine's cabinet interior other than by opening the main door; and
- c. There shall be no hidden or undocumented buttons or touch points (if applicable) anywhere on the screen, except as provided for by the game rules dictating game play.

For other types of electronic displays, the display method chosen shall accurately display the outcome to the player at all times and, if a malfunction is detected by the slot machine, the device shall "tilt" until cleared by an authorized gaming employee.

(4) Printer standards

- (a) Payment by ticket printer. If the slot machine utilizes a printer to make payments, the printer shall print on a ticket and provide the same data to an on-line electronic game management system the following information regarding each payout ticket printed which can be obtained from the slot machine, an interface board, the on-line system, or another means approved in writing by the Commission and the Board:
  - a. Value of credits in local monetary units in numerical form;
  - b. Time of day the ticket was printed in twenty-four (24) hour format reflecting hours and minutes;
  - c. Date, in any recognized format, indicating the day, month, and year;

- d. Slot machine number; and
- e. Unique validation number, or barcode.

The slot machine shall either keep a duplicate copy of the ticket or print and issue a copy to the player, provided the device has the ability to retain the information pertaining to the last thirty-five (35) games to resolve player disputes. In addition, an approved system shall be used to validate the payout ticket, and the ticket information recorded by the Online system shall be retained for at least as long as the ticket is valid at that location, or as otherwise required by the Commission and the Board.

- (b) Printer error corrections. A printer shall be capable of detecting and acting on the following conditions, all of which shall initiate an error condition:
  - a. Out of paper/paper low;
  - b. Printer jam/failure; and
  - c. Printer disconnected, which may only be detected when the software attempts to print.

(d) Software requirements and standards

(1) Program memory requirements

- a. Control program requirements. The control program (software that operates the slot machine's functions) shall ensure the integrity of all control program components during execution of said components.
- b. Program storage device validation. All program storage devices located in the executable address space of a main processor shall be validated during the following conditions:
  - 1. Any power up; and

2. The first time the files are loaded for use (even if only partially loaded).
  - c. RAM and program storage device(s) space that is certified by an independent gaming test laboratory to be not critical to a slot machine's security (e.g. video or sound ROM) need not be validated.
  - d. Comprehensive checks. Comprehensive checks of critical memory shall be made during each slot machine's restart (e.g., power up cycle). Slot machine's control programs (software that operates the slot machine's functions) shall test for possible corruption caused by failure of the program storage medium and all critical game functions. Test methodology shall detect at least 99.99 percent of all possible failures, as certified by an independent gaming test laboratory.
- (2) EPROM control standards.
- a. Procedures shall be developed and implemented, subject to written Commission and the Board approval, for the following:
    1. Removal of EPROMs from devices, the verification of the existence of errors as applicable, and the correction via duplication from the master game program EPROM;
    2. Copying one slot machine program to another approved program;
    3. Verification of duplicated EPROMs prior to being offered for play;
    4. Destruction, as needed, of EPROMs with electrical failures; and
    5. Securing the EPROM duplicator and master game EPROMs from unrestricted access.
  - b. The master game program number, par percentage, and the pay table shall be verified to the par sheet when initially

received from the manufacturer.

- c. Each slot machine shall have its circuit boards locked and physically sealed in accordance with Section 53.
- d. Records which document the procedures in paragraph (d)(2)a. shall include the following information:
  - 1. Date;
  - 2. Slot machine number (source and destination);
  - 3. Manufacturer;
  - 4. Program number;
  - 5. Personnel involved;
  - 6. Reason for duplication;
  - 7. Disposition of any permanently removed EPROM;
  - 8. Seal numbers, if applicable; and
  - 9. State gaming agency approved testing lab approval numbers.
- e. EPROMs returned to slot machines shall be labeled and shall include the date program number, information identical to that shown on the manufacturer's label, and initials of the individual replacing the EPROM. The enclosure housing the EPROMs and/or logic boards must be sealed in accordance with Section 53.

(3) Storage devices or mediums

- a. Requirements for program storage devices. All program storage devices, including ROMs, EPROMs, FLASH ROMs, DVD, CD-ROM, and any other type of program storage device shall be clearly marked with sufficient information to identify the software and revision level of the information stored in such devices.

- b. Write once read many (WORM) program storage. A Write once read many program storage used as a program storage device shall contain only the program files associated with the operation of a game.
- c. Utilizing integrity check. The control program shall utilize an integrity check that includes a secured hashing method that authenticates that the program and/or support files have not been corrupted or altered prior to use or loading.
- d. CD-ROM limitations, requirements. In the case of a CD-ROM, a re-writeable disk shall not be used and "the Session" shall be closed to prevent any further writing.
- e. Write protection. In the case of a hard disk, only a write-protected drive utilizing Small Computer Systems Interface (SCSI) architecture shall be used.
- f. Alternate storage medium. The program residing in a slot machine shall be contained in a storage medium which cannot be altered through the use of the circuitry or programming of the slot machine itself. If the program is contained in any other medium, the following requirements shall apply:
  - 1. The slot machine shall authenticate all critical game files including, but not limited to, executables, data, operating system files and other files which may affect the game outcome or operation, that reside on such medium. This authentication shall employ a hashing algorithm that produces a 'Message Digest' (the mathematical results/signature of the hashing algorithm) output of at least 128 bits at minimum, as certified by an independent gaming test laboratory;
  - 2. The Message Digest(s) for all files as defined in subparagraph (d) (3)f.1. above shall reside on a memory device (ROM-

based or other approved medium) within the slot machine. Message Digests which reside on any other medium shall be encrypted, using a public/private key algorithm with a minimum of a 512 bit key, or an equivalent encryption algorithm with equal or greater security certified by an independent gaming test laboratory and approved by the Commission and the Board in writing.

3. Each slot machine shall authenticate all files which affect game play, operation, or outcome against the stored Message Digest(s).
  4. In the event of a failed authentication after a game has been powered up, the slot machine shall immediately enter an error condition with the appropriate tower light signal and/or audible alarm, and record the details, including time and date of the error in a log. Correction of this error shall require intervention by an authorized gaming employee. The game shall display specific error information and shall not clear until either the file authenticates properly, following the authorized gaming employee's intervention, or the medium is replaced or corrected, and the device's memory is cleared, the game is restarted, and all files authenticate correctly; and
  5. The device shall be capable of displaying the 'Message Digest' of any and all files on demand through the audit mode.
- g. Flash memory devices. Flash memory devices that contain the control program may be permitted if the ability to 're-write' or 'flash' the device, while it is installed in the logic board, has been certified as physically disabled (i.e., write line cut on the logic board) by an independent gaming test laboratory. Each use of flash memory devices shall be assessed.





- b. The progressive meter is incremented to whole credit amounts; or
  - c. The prize in the currency amount is converted to credits upon transfer to the player's credit meter in a manner that shall not mislead the player (i.e., make an unqualified statement "wins meter amount" and then rounds down on conversion) or cause accounting imbalances.
- (2) Collect Meter. Each collect meter shall reflect the number of credits collected by a player. The number of credits collected shall be subtracted from the player's credit meter before it is added to the collect meter.
- (3) Accounting and Occurrence Meters. Each slot machine shall have electronic accounting meters which shall be accessible only by authorized gaming employees. Electronic meters shall be at least eight (8) digits in length. If the meter is being used in dollars and cents, at least eight (8) digits must be used for the dollar amount. The meter shall roll over to zero (0) upon the next occurrence, any time the meter is higher than eight (8) digits and after 99,999,999 has been reached. If the meter is larger than eight (8) digits, the meter shall roll over at 99,999,999 or at an other value approved in writing by the Commission and the Board. Occurrence meters shall be at least three (3) digits in length and shall roll over to zero upon the next occurrence, and any time the meter is higher than the maximum number of digits for that meter. Electronic meters shall comply with the following:
- a. The "cash in" meter shall cumulatively count the total amounts wagered during game play;
  - b. The "credit out" meter shall cumulatively count all amounts paid to the player at the end of a game;
  - c. The "drop" meter shall maintain a cumulative count of the number of coins that have been diverted into a drop bucket and the credit value of all other cash equivalents inserted

into the slot machine for play;

- d. The "games-played" meter shall display the cumulative number of games played since the last RAM clear;
- e. A "cabinet door" meter shall display the number of times the front cabinet door has been opened since the last RAM clear;
- f. The "drop door" meter shall display the number of times the drop door or the bill acceptor door has been opened since the last RAM clear;
- g. The "canceled credit" meter shall reflect the cumulative amounts paid by an attendant that are in excess of the credit limit and residual credits that are collected; if applicable;
- h. The "progressive occurrence" meter shall count and reflect the number of times each progressive meter is activated.

In addition to the required meters in this subdivision, each individual game available for play shall have at least "credits bet" and "credits won" meters represented in either credits or currency amounts.

(f) Financial processing requirements

- (1) Coin or token acceptor standards. If the slot machine uses a coin or token acceptor, such acceptor shall accept or reject a coin or token on the basis of metal composition, mass, composite makeup, or equivalent security. In addition, it shall meet the following requirements:
  - a. Coin or token acceptor security features/error conditions. The coin or token acceptor shall be designed to prevent the use of cheating methods such as slugging (counterfeit coins), stringing (coin pullback), the insertion of foreign objects and other manipulation;
  - b. Rapidly fed coins or tokens. Each slot machine shall be capable of accepting rapidly-fed coins or tokens or piggy backed coins or

tokens to eliminate cheating;

- c. Direction detectors. Each slot machine shall have suitable detectors for determining the direction and the speed of coin or token travel in the receiver. If a coin or token traveling at too slow a speed or in an improper direction is detected, the slot machine shall enter and display an error condition for at least thirty (30) seconds or until it is cleared by an authorized gaming employee;
- d. Invalid coins or tokens. Coins or token deemed invalid by the acceptor shall be rejected to the coin or token tray and shall not be counted as credits;
- e. Coin or token acceptance conditions. Credit meters shall only record the acceptance of coins or tokens when the slot machine is enabled for play. Other states, such as error conditions, including door opens, audit mode and game play, shall cause the disabling of the coin or token acceptor system; and
- f. Credit meter update on coin or token insertion. Each coin or token inserted shall register the actual monetary value of such coin or token or a number of credits on the player's credit meter for the current game or bet meter. If registered directly as credits, the conversion rate shall be clearly stated, or be easily ascertainable from the slot machine.

(2) Bill acceptor standards and requirements

a. Requirements

- 1. Generally. All acceptance devices shall be capable of detecting the entry of valid bills, coupons, paper tokens, or other approved cash equivalents, if applicable, and shall provide a method to enable the slot machine software to interpret and act appropriately upon both a valid and invalid input. The

acceptance device shall be electronically-based and configured to ensure that it only accepts valid bills of legal tender. Bill acceptors may also accept coupons, paper tokens, or other approved cash equivalents and shall reject all others in a highly accurate manner. The bill input system shall be constructed in a manner that protects against vandalism, abuse, and/or fraudulent activity.

2. General Statement. Each bill acceptor shall have a secure stacker into which all accepted bills shall be deposited. The secure stacker shall be attached to the slot machine in such a manner so that it cannot be easily removed by physical force and shall meet the following requirements:
  - A. Each bill acceptor device shall have a 'stacker full' sensor;
  - B. There shall be a separate key to access the stacker area. This key shall be separate from the main door. In addition, a separate key shall be required to remove the bills from the stacker; and
  - C. A tower light and/or audible alarm shall be activated whenever there is access to the bill door or whenever the stacker has been removed.
3. Bill acceptor recall. A slot machine that uses a bill acceptor shall retain in its memory and display the denomination of the last five (5) bills inserted.
4. Bill acceptor error conditions. Each slot machine bill acceptor shall have the capability of detecting and displaying the following bill acceptor error conditions:
  - A. Stacker full;

- B. Bill jams;
  - C. Bill acceptor door open. Where a bill acceptor door is the belly glass door, a door open signal shall be sufficient; and
  - D. Stacker door open or stacker removed.
5. Power failure during bill acceptance/validation. If a power failure occurs during acceptance, the bill acceptor shall either properly credit the bill or return the bill to the player, notwithstanding that there may be a window of time of less than one (1) second where power may fail and credit may not be given.
6. Self Test. Each bill acceptor device shall perform a self test at each power up. In the event of a self test failure, the bill acceptor shall automatically disable itself (i.e., enter bill reject state) until the error state has been cleared by an authorized gaming employee.
7. Metering of bill acceptor events. Each slot machine that utilizes a bill acceptor device shall maintain sufficient electronic metering to report the following:
- A. Total monetary value of all items accepted;
  - B. Total number of all items accepted; and
  - C. A break down of the bills and/or cash equivalents accepted:
    - i. For bills, the game shall report the number of bills accepted for each bill denomination;
    - ii. For cash equivalents, the game

shall have a separate meter that reports the number of notes accepted, not including bills.

b. Standards

1. Bill acceptor requirements. A bill acceptor shall not be adversely affected by the following:

- A. electro-static discharge;
- B. power surges;
- C. radio frequency interference;
- D. electro-magnetic interference;
- E. environmental extremes;
- F. cable tampering. Interconnecting cables from the bill acceptor device to the slot machine shall not be exposed externally; and
- G. liquid spills. If liquids are spilled into a bill acceptor, the acceptor shall either reject all bill inputs or generate an error condition.

2. Bill acceptor software requirements. If the bill acceptor only accepts bills or cash equivalents in a particular direction, orientation or with a particular side facing up, there shall be sufficient instructions on the bill acceptor's artwork to clearly reveal this to the players.

3. Credits. Credits shall only be registered when:

- A. The bill or cash equivalent has passed the point where it is accepted and stacked; and

B. The acceptor has sent the "irrevocably stacked" message to the device.

4. Communications. Each bill acceptor shall communicate to the slot machine using a bi-directional protocol certified by an independent gaming test laboratory.

c. Factory set bill acceptors. If bill acceptors are designed to be factory set only, it shall be impossible to access, conduct maintenance or make adjustments to those bill acceptors in the field, other than:

1. The selection of bills, coupons, paper tokens, or other approved cash equivalents and their limits;

2. Changing certified EPROMs or downloading certified software;

3. The adjustment of the acceptor's tolerance level for accepting bills or cash equivalents of varying quality.

4. Maintenance, adjustment, and repair per approved factory procedures; or

5. Options that set the direction or orientation of acceptance.

All adjustments to a bill acceptor shall require access by an authorized gaming employee to a secured area of the slot machine's interior which shall not be accessible from the device's exterior. Adjustments shall only be effectuated through the activation of a key-locked switch or a similarly secure mechanism approved in writing by the Commission and the Board.

(3) Cashless transaction system standards.

a. Generally. A cashless transaction system means the system by which a player obtains, transfers and redeems credits. A cashless transaction system permits a player to play



the slot machines without inserting coins, tokens or paper currency therein, and to win prizes without receiving a Redemption Ticket from the slot machines. A cashless transaction system shall include the following components:

1. Integration with the computerized accounting system;
  2. A cashless system card; and
  3. A means of accounting for player deposits of cash or cash equivalents and exchanges for and redemption of credits which are independent of the slot machines, through a player's account, a voucher system, or a cashless system card.
- b. Player Accounts. A cashless transaction system shall meet, at minimum, the following requirements:
1. Generally.
    - A. All player account information shall be stored on at least two separate non-volatile media;
    - B. An audit file shall maintain all financial transactions against the account. Such file shall be stored in at least two separate non-volatile media, shall be accessible for purposes of audit and dispute resolution to authorized individuals and shall be available on-line for a minimum of thirty (30) days. After thirty (30) days such information shall be available off-line for a minimum of 180 days;
    - C. Access controls shall be in place to eliminate unauthorized individuals from accessing account information or history;
    - D. All means for communicating

information within the system shall be through the use of secure communication protocols designed to prevent unauthorized access or tampering which shall employ Data Encryption Standards or equivalent encryption with changeable seeds or algorithms; and

- E. Any cashless system card issued to a player for the purpose of using the cashless transaction system shall bear on its face a control or inventory number unique to that instrument.
2. Establishment of player accounts. A cashless system player account shall only be established upon presentation of positive form of identification bearing the photograph of the presenting patron.
- A. A computer file for each player shall be prepared prior to the player being issued a cashless system card. Each patron shall select his/her Personal Identification Number (PIN), known only to that patron, to be used in conjunction with the cashless system card; and
  - B. An authorized gaming employee shall sign-on with a unique password to a terminal equipped with peripherals required to input data from the player cashless system player account form; and
  - C. The cashless transaction system shall be designed to ensure that after entering a specified number of incorrect PIN entries at either a cage or player terminal, the patron shall be required to obtain a new PIN.
3. Depositing in player accounts. To

deposit into a cashless system player account:

- A. A cashier shall sign-on with a unique password to a cashier terminal equipped with peripherals required to complete the credit transactions;
- B. The player shall present cash, chips, coin, coupons or cash equivalents along with their cashless system card to a cashier to deposit credits;
- C. The cashier shall complete the transaction by utilizing a cashless system card scanner or other device approved in writing by the Commission and the Board;
- D. The cashier shall accept the funds from the player and enter the appropriate amount on the cashier terminal;
- E. A multi-part deposit slip comprised of at least two parts shall be generated by the point of sale receipt printer. The cashier shall direct the player to sign the original and copy (copies) of the deposit slip receipt. The original of the signed deposit slip shall be given to the patron; the copy (copies) of the signed deposit slip shall be secured in the cashier's cash drawer. The first copy of the signed deposit slip shall be forwarded to the accounting department at the end of the gaming day, and additional copies, if any, shall be disseminated in accordance with the Tribal gaming operation's approved System of Internal Controls; and
- F. The cashier shall verify the

player's balance before completing the transaction, secure the funds in their cash drawer and return the cashless system card to the player.

4. Withdrawal from player accounts. The player shall present his or her cashless system card to a cashier to withdraw credits. The cashier shall perform the following:
  - A. Scan the cashless system card;
  - B. Direct the player to enter his or her PIN;
  - C. The cashier shall ascertain the amount the player wishes to withdraw and enter that amount into the cashier computer;
  - D. A multi-part withdrawal slip comprised of at least two parts shall be generated by the point of sale receipt printer. The cashier shall direct the patron to sign the original and copy (copies) of the withdrawal slip;
  - E. The cashier shall verify that the cashless system card and the player match by:
    - i. Comparing the player to the image reflected on the computer screen of player's Photographic Identification, if available; and
    - ii. Comparing the player's signature on the withdrawal slip to the signature reflected on the computer screen.
  - F. The cashier shall verify the player's balance before completing the transaction. The cashier shall pay the player the appropriate

amount, issue the player the original withdrawal slip and return the cashless system card to the player;

G. The copy (copies) of the withdrawal slip shall be placed in the cash drawer. All account transactions shall be accurately tracked by the account server computer system. The first copy of the withdrawal slip shall be forwarded to the accounting department at the end of the gaming day and additional copies, if any, shall be disseminated in accordance with the Tribal gaming operation's approved System of Internal Controls; and

H. In the event the imaging function is temporarily disabled, a player shall be required to provide two forms of positive identification for a cash withdrawal transaction at a cashier station.

c. Cashless system card. Any cashless system card which the Tribal gaming operation intends to implement as part of the cashless transaction system shall be tested by an independent gaming test laboratory to ensure the integrity of player funds. Any cashless system card must store on the card or on the system using the card an audit trail of the last ten (10) transactions involving the use of the card. Each transaction record shall include, at a minimum, the type of transaction, the amount of the transaction, the date of the transaction, the time of the transaction, the identity of the gaming employee, and the identification of the slot machine, cashier terminal or other point of cash exchange where the transaction occurred. The minimum daily and monthly reporting for cashless system card activity shall include at a minimum:

1. Total amount of cash transferred to the

- cashless system card;
  - 2. Total amount of cashless system card funds transfered to cash;
  - 3. Total amount of cashless system card funds transfered to credits;
  - 4. Total number of credits transfered to cashless system card amounts; and
  - 5. Total amount of the unredeemed cashless system card balance.
- (4) Computerized accounting system. A computerized accounting system shall be required to perform reporting and other functions in support of the slot machines. The computerized accounting system shall not interfere with the outcome of any gaming functions. The following reporting capabilities shall be provided by the computerized accounting system:
- a. Slot machine revenue report. A revenue report for each slot machine bank shall be generated and maintained on a confidential and secure basis which on at least a daily and monthly basis accounts for:
    - 1. The total amount won per prize level for each game; and
    - 2. The amount wagered per game type.
  - b. Progressive report. A progressive jackpot report shall be generated which provides at a minimum for both the specified accounting period and from the introduction of the progressive jackpot to date the:
    - 1. Amount seeded;
    - 2. Amount in reserve fund;
    - 3. Current progressive jackpot;
    - 4. Contribution total;

5. Total paid in prizes;
  6. Itemized progressive jackpot awards; and
  7. Amount, time of award, and the slot machine on which the progressive jackpot was won.
- c. Liability report. A liability report shall be required, at a minimum, on a daily and monthly basis providing a summary of the outstanding funds carried from business day to business day including, at a minimum, the following:
1. Amount of prizes which were awarded, but have not yet been claimed;
  2. Detail of prizes for which the redemption period expired during the specified reporting period;
  3. Unredeemed credits; and
  4. Expired credits.
- d. Master reconciliation report. A master reconciliation report shall be available, at a minimum, on a daily and monthly basis, providing a summary of all daily sources of funds and disposition of funds, including but not limited to the following:
1. Funds collected from cashiers and cash exchange kiosks;
  2. Funds carried forward from the prior business day, including liability from prizes awarded, but not paid out, prize pool balances, and reserve funds;
  3. Payments to players;
  4. Funds available to the Tribal gaming operation; and
  5. Tickets and prizes dispensed and played, which reconcile with the amount won.

e. Data Retention Requirements. Data necessary to audit compliance with the standards set forth in this section shall be maintained for a minimum of two years, and in connection with determining randomness where applicable, for a minimum of six months. To an extent not inconsistent with the foregoing, data shall be retained and backed up by the computerized accounting system according to the following minimum requirements:

1. Accounting records;
2. Per slot machine bank, cashier terminal, or other points of cash exchange (daily records) and meters (on-line for six months);
3. Daily records and meters (off-line for twelve months);
4. Deal records, for each bank of slot machines;
5. The amount wagered and the amount won, daily by prize level, on line (for at least six months);
6. The amount wagered and the amount won, daily by prize level, off line (for at least six months);
7. On-line prize redemptions (for at least thirty days);
8. Dated cash vouchers (for at least thirty days); and
9. Undated bearer instruments (indefinitely or until instrument by its own terms expires).

(5) Redemption of credits

a. Generally. Available credits may be collected from the slot machine by the player pressing the "COLLECT" button at any time other than when:



1. A game is being played;
  2. The device is in audit mode;
  3. Any door is open;
  4. The device is in test mode;
  5. A Credit meter or win meter incrementation is in progress, unless the entire amount is recorded on the meters when the collect button is pressed; or
  6. There is an error condition.
- b. Cancel credit. If credits are collected, and the total credit value is greater than or equal to a specific limit (e.g., printer limit for printer games), the game shall be disabled until the credits have been paid, and the handpay is cleared by an authorized gaming employee.
- c. Taxation reporting. The slot machine shall enter a lock up condition if a win creates a manual handpay that is required by a taxing jurisdiction.
- d. Ticket Validation. Payment by ticket printer as a method of credit redemption shall be permissible only when the slot machine is linked to a computerized system that permits validation of the printed ticket. Validation approval or related information shall be generated by the central system in order to validate tickets. Tickets may be validated only at locations approved by the Commission and the Board in writing. The validation system shall be capable of detecting attempts to defraud the system by redeeming a ticket issued previously by the slot machine and shall be designed and constructed to provide an alternate method of redeeming winning tickets if communication between the slot machine and the validation system is interrupted.

§5. The Tribal-State Compact between the St. Regis Mohawk Tribe

and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**33. Transportation of slot cash storage boxes to and from bill changers; storage**

- (a) The Tribal gaming operation shall place on file with the Commission and the Board, a schedule setting forth the specific times at which the slot cash storage boxes will be brought to or removed from the bill changers. The Tribal gaming operation shall also maintain and make available to the Commission and the Board upon request the names and license numbers of all employees participating in the transportation of such slot cash storage boxes. No slot cash storage box shall be brought to or removed from any bill changer at other than the time specified in such schedule except with the express written approval of the Commission and the Board.
- (b) Except as provided in subdivision (b) (3) below, all slot cash storage boxes removed from bill changers shall be transported directly to and secured in the count room by, at a minimum, an Commission inspector, a security department member and a member of the accounting department or an independent slot machine cage department which may be created.
  - (1) Upon its removal from a bill changer, a slot cash storage box shall be immediately placed in an enclosed trolley which shall be secured by two separately keyed locks. The key to one lock shall be maintained and controlled by the Commission. The key to the second lock shall be maintained and controlled by the security department in a secure location. Access to the security department's key shall be limited to supervisors in that department and shall be controlled, at a minimum, by a sign-out and sign-in procedure approved in writing by the Commission and the Board. The security department key shall be returned to its secure location immediately upon the completion of the collection and transportation of the drop boxes.
  - (2) Prior to the movement of any trolley containing slot cash storage boxes from the Tribal gaming operation floor into the count room, a key employee who is supervising the collection of the slot cash

storage boxes (a "drop team supervisor") shall verify in writing that the number of slot cash storage boxes being transported from the Tribal gaming operation floor equals the number of slot cash storage boxes that have been scheduled to be collected that day. If a trolley is being transported from the Tribal gaming operation floor to the count room, a drop team supervisor shall also verify that the locks on the trolley have been locked.

- (3) A slot cash storage box being replaced by an emergency slot cash storage box, except as otherwise provided, shall be transported directly to and secured in the count room by at least one security department member, one slot department or cage supervisor and one Commission inspector, and the use of a trolley shall not be required.
- (c) Except as provided for in subsection (d) below, all slot cash storage boxes not contained in a bill changer, including emergency slot cash storage boxes which are not actively in use, shall be stored in the count room or other secure area outside the count room approved in writing by the Commission and the Board, in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The key to one lock shall be maintained and controlled by the security department and the key to the second lock shall be maintained and controlled by the Commission. Access to the security department's key shall be limited to a supervisor of that department.
  - (d) Notwithstanding subsection (c) above, the supervisor of the security department may, immediately prior to the commencement of the count process, issue the key to the storage cabinet or trolley to a count room supervisor for the purpose of gaining access to the slot cash storage boxes to be counted. Any key removed from the security department shall be returned immediately following the conclusion of the count of the slot cash storage boxes and the return of any empty emergency slot cash storage boxes to their respective storage cabinet or trolley, and the security department shall establish a sign-out and sign-in procedure approved by the Commission and the Board in writing for all such keys removed. The gaming facility department which permits the security department key to be issued to a count room supervisor shall

establish internal control procedures, to be approved in writing by the Commission and the Board, governing the control over the key when soft count takes a break.

§6. Section 10 of the Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby repealed and replaced with the following:

**10. Accounting controls for the cashier's cage, satellite cages, master coin bank and coin vaults**

- (a) The assets for which the general cashiers are responsible shall be maintained on an imprest basis. At the end of each shift, the cashiers assigned to the outgoing shift shall record on a cashiers' count sheet the face value of each cage inventory item counted and the total of the opening and closing cage inventories and shall reconcile the total closing inventory with the total opening inventory.
- (b) At the opening of every shift, in addition to the imprest funds normally maintained by the general cashiers, the Tribal gaming operation shall have on hand in the cage or readily available thereto, a reserve cash bankroll in a minimum amount approved in writing by the Commission and the Board.
- (c) The cashier's cage and any satellite cage shall be physically segregated by personnel and function as follows:
  - (1) General cashiers shall operate with individual imprest inventories of cash and such cashiers' functions shall include, but are not limited to, the following:
    - a. Receive cash, cash equivalents, patron checks, gaming chips, complimentary cash gifts and Tribal gaming operation checks from patrons for check consolidations, total or partial redemptions or substitutions;
    - b. Receive gaming chips; slot tokens and prize tokens from patrons or authorized employees in exchange for slot tokens, coins or cash;
    - c. Receive cash, cash equivalents and Tribal

- gaming operation checks from patrons in exchange for currency or coin;
- d. Receive personal checks for non-gaming purposes from patrons in exchange for cash;
  - e. Receive Cash, cash equivalents, Tribal gaming operation checks and gaming chips, slot tokens and prize tokens from patrons in exchange for customer deposit forms;
  - f. Receive customer deposit forms from patrons in exchange for cash or slot tokens;
  - g. Receive promotional coupons from patrons in exchange for currency, slot tokens, or coin;
  - h. Receive checks from check cashiers to be returned to patrons for check redemptions, partial redemptions, consolidations or substitutions;
  - i. Receive wire transfer acknowledgment forms for the purpose of completing customer deposit forms;
  - j. Receive from check, chipbank, master coin bank, and reserve cash cashiers documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashier's cage;
  - k. Receive voucher forms for the processing of travel expense reimbursements;
  - l. Prepare forms for the completion of payments for table game progressive payout wagers; and
  - m. Prepare patron credit files and verify information therein supporting patron credit applications.
  - n. Exchange slot counter checks.
  - o. Prepare jackpot payout slips.
  - p. Prepare hopper fill slips.

- q. Receive slot tokens from and transmit slot tokens and prize tokens to, the master coin bank in exchanges supported by proper documentation.
- (2) Check cashiers (also known as "check bank cashiers") shall not have access to cash and gaming chips, except in accordance with subdivision (c) (4) below, and such cashiers' functions may include the following:
- a. Receive the original and redemption copies of counter checks and slot counter checks;
  - b. Receive from general cashiers checks accepted for total or partial counter check and slot counter check redemptions;
  - c. Receive checks from general cashiers for counter check and slot counter check consolidations;
  - d. Receive personal checks from general cashiers for counter check, slot counter check substitutions;
  - e. Prepare bank deposit slips or supporting documentation for checks to be deposited;
  - f. Receive wire transfer acknowledgment forms for the purpose of redeeming counter checks and slot counter checks or accepting payment on returned counter checks and slot counter checks; and
  - g. Receive from general, chipbank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashier's cage.
- (3) Chipbank cashiers shall not have access to currency or cash equivalents, but shall operate with a limited inventory of fifty cent (\$0.50) and twenty-five cent (\$0.25) cent which may only be used to facilitate odd payoffs or vigorish bets, except in accordance with subdivision (c) (4) below. Such cashiers' functions may include the following:

- a. Receive gaming chips and coin removed from gaming tables from a security department member in exchange for the issuance of a credit;
  - b. Receive requests for fills in exchange for the issuance of a fill, the dispersal of gaming chips to a security department member;
  - c. Receive gaming chips from the general cashiers, main bank cashiers, cage supervisors and personnel assigned to a non-cage employee redemption site in exchange for proper documentation;
  - d. Receive from general, check bank and reserve cash cashiers documentation with signatures thereon, required for the effective segregation of functions in the cashier's cage;
  - e. Receive proper documentation from chippersons in exchange for imprest inventories of gaming chips, to be used in conformity with the Compact and its Appendices; and
  - f. Such other functions as approved in writing by the Commission and the Board.
- (4) Reserve cash (main bank) cashiers' functions shall include, but are not limited to, the following:
- a. Receive cash, cash equivalents, issue copies of slot counter checks, original copies of jackpot payout slips personal checks received for non-gaming purposes and gaming chips from general cashiers in exchange for cash;
  - b. Receive cash and coin from the coin and currency count room;
  - c. Receive checks and supporting documentation from check cashiers for deposit if such deposit is not made by the check cashier;
  - d. Prepare the overall cage reconciliation and accounting records;

- e. Prepare the daily bank deposit for cash and checks;
- f. Issue, receive and reconcile imprest funds used by slot attendants and chippersons;
- g. Exchange currency for coupons and currency from slot attendants.
- h. Receive from general, chip and check bank cashiers, documentation with signatures thereon, required to be prepared for the effective segregation of functions in the cashier's cage;
- i. Be responsible for the reserve cash bankroll;
- j. Exchange currency, coin, gaming chips and promotional coupons with the keno booth in exchange for proper documentation;
- k. Receive unsecured currency and unsecured promotional coupons from accounting department representatives;
- l. Receive gaming chips, slot tokens and coupons from personnel assigned to a non-cage employee redemption site in exchange for proper documentation;
- m. Exchange currency, coin, slot tokens, gaming chip and coupons with the keno booth in exchange for proper documentation;
- n. Perform the functions enumerated below of master coin bank cashiers, but only to the extent that the Tribal gaming operation has obtained, approval to operate its cashier's cage without the master coin bank;
- o. Receive unsecured currency and unsecured coupons from slot department representatives;
- p. Prepare unsecured bill changer currency/coupon reports;
- q. Receive slot tokens, prize tokens and gaming chips from personnel assigned to a non-cage



employee redemption site in exchange for proper documentation;

- r. Receive slugs from the hard count room and slot department and maintain the slugs in inventory until destroyed; and,
- s. Perform exchanges with the master coin bank supported by proper documentation in accordance with approved internal controls.

(5) Master coin bank cashiers' functions shall include, but are not limited to, the following:

- a. Receive currency, coin, slot tokens, prize tokens, gaming chips, and coupons from slot cashiers in exchange for proper documentation;
- b. Receive coin and slot tokens from the hard count room;
- c. Provide slot cashiers with currency, coin, prize tokens and slot tokens in exchange for proper documentation;
- d. Issue, receive and reconcile imprest funds used by slot attendants;
- e. Prepare the daily bank deposit of excess cash and coins;
- f. Prepare jackpot payout slips;
- g. Prepare hopper fill slips;
- h. Receive slot tokens and prize tokens from cage supervisors, general cashiers, main bank cashiers and personnel assigned to a non-cage employee redemption site, and transmit slot tokens to general cashiers in exchanges supported by proper documentation;
- i. Exchange currency, coin, slot tokens, gaming chips and coupons with the keno booth;
- j. Receive slugs from the hard count room and slot department and maintain the slugs in inventory until destroyed; and,

- k. Perform exchanges with the main bank supported by proper documentation in accordance with approved internal controls.
- (d) Notwithstanding any inconsistent requirements of this Appendix, the Tribal gaming operation may consolidate the functions of the chipbank cashier with the functions of the check cashier upon written Commission and Board approval of the Tribal gaming operation's System of Internal Controls for the consolidated cashier functions.
- (e) Signatures and gaming license numbers of those attesting to the accuracy of the information contained on the cashiers' count Sheet shall be, at a minimum, of the following cashiers after preparation of the cashiers' count Sheet:
  - (1) The general cashiers assigned to the incoming and outgoing shifts;
  - (2) The check cashiers assigned to the incoming and outgoing shifts;
  - (3) The chipbank cashiers assigned to the incoming and outgoing shifts; and
  - (4) The reserve cash cashiers assigned to the incoming and outgoing shifts;
- (f) At the end of each gaming day, at a minimum, a copy of the cashiers' count sheets and related documentation shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amounts thereon to other forms, records, and documents required by the Compact and its Appendices, agreement of transportation reimbursement disbursements with supporting documentation and recording of transactions.
- (g) Coin vaults authorized shall be under the control of the Tribal gaming operation accounting department or an independent slot machine cage department established. The storage of coin, prize tokens or slot tokens in, or the removal of coin, prize tokens or slot tokens from, any coin vaults shall be properly documented, and the amount of coin, prize tokens and slot tokens in each coin vault shall be reconciled at the end of each gaming day.
- (h) At least 10 percent of all bags of coins or slot tokens

counted and bagged by each slot cashier, master coin bank cashier or main bank cashier outside of the count room shall be randomly selected and recounted by a slot cashier supervisor or cage supervisor, as applicable, through the use of a weighing device or a counting device. Unless otherwise approved in writing by the Commission and the Board, the recount shall be performed prior to the end of the cashier's shift and shall be recorded on supporting documentation in a manner approved in writing by the Commission and the Board. In the alternative, the Tribal gaming operation may develop internal control procedures as approved in writing by the Commission and the Board which ensure that at least 10 percent of all bags of coins or slot tokens counted and bagged by each slot cashier, master coin bank cashier or main bank cashier outside of the count room shall be randomly selected and recounted. If a discrepancy greater than plus or minus \$1.00 for any denomination of bagged coins or greater than plus or minus one token for bagged slot token denomination of \$25.00 and below is found during the weighing of the sample bag, then the sample bag shall be opened and recounted by a counting machine provided, however, for slot token denominations greater than \$25.00, any discrepancy shall require a recount. Notwithstanding the foregoing, a representative of the Commission or the Board may direct a slot cashier, master coin bank cashier or main bank cashier to weigh or recount any bag of coins or slot tokens prepared outside of the count room on a random basis.

- (i) The assets for which a chipperson are responsible shall be maintained on an imprest basis in accordance with System of Internal Controls approved in writing by the Commission and the Board and which, at a minimum, shall provide documentation to the chipbank, main bank and chipperson for the receipt of the imprest inventory and any subsequent receipt of gaming chip and currency, and documentation to the main bank for the return of the chipperson's inventory at the end of his or her shift. The main bank shall be responsible for the return to the chipbank of any gaming chips remaining in the chipperson's possession at the end of his or her shift.

§7. Section 30 of the Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby repealed and replaced with the following:

**30. Opening, counting and recording the contents of drop boxes and slot cash storage boxes and slot drop buckets and slot drop boxes**

- (a) The contents of the drop boxes and slot cash storage boxes shall be counted and recorded in the count room in conformity with this section.
- (b) The Tribal gaming operation shall place on file with the Commission and the Board, the specific times during which the drop boxes are to be removed from gaming tables and the specific times during which the contents of the drop boxes and slot cash storage boxes are to be counted and recorded. Drop boxes shall be removed from gaming tables and counted and recorded, at a minimum, once each gaming day, provided, however, a drop box need not be so removed if:
  - (1) The drop box is from a gaming table that was never opened for gaming on that gaming day; and
  - (2) The System of Internal Controls procedures, as approved in writing by the Commission and the Board, ensure that the security department is notified of which drop boxes to collect and the count room supervisor is notified of which drop boxes shall be counted.
- (c) The opening, counting, and recording of the contents of drop boxes and slot cash storage boxes shall be performed in the presence of a Commission inspector and an gaming license holder level three who shall be referred to herein as a count room supervisor. To gain entrance to the count room, the Commission inspector shall present an official identification card containing his or her photograph issued by the Commission.
- (d) All persons present in the count room during the counting process, except representatives of the Commission, if applicable, shall wear as outer garments, only a full-length, one-piece pocketless garment with openings only for the arms, feet, and neck.
- (e) No person present shall:
  - (1) Carry a pocketbook or other container unless it is transparent; or

- (2) Remove his or her hands from or return them to a position on or above the count table unless both the backs and palms of his or her hands are first held straight out and exposed to the view of other members of the count team and the closed circuit television camera.
- (f) Immediately prior to the commencement of the Count:
- (1) The doors to the count room shall be securely locked;
  - (2) A count team member shall notify a person assigned to the surveillance department closed circuit television monitoring room that the count is about to begin, after which such person shall make an audio-video recording, with the time and date inserted thereon, of the entire counting process, which recording shall be retained by the surveillance department for at least twenty-one (21) days from the date of recordation unless otherwise directed in writing by the Commission and the Board; and
  - (3) The count room supervisor or his or her supervisor shall notify the Commission inspector, in writing, of the name and gaming license number of each person who shall participate in the counting process and whether each such individual is scheduled to:
    - a. Be present in the count room during the entire counting process;
    - b. Enter the count room during the counting process; or
    - c. Leave the count room prior to the conclusion of the counting process.
- (g) No person other than the Commission inspector, or Internal Audit personnel as approved in advance in writing by the TGA and SGA, shall be permitted to enter or leave the count room during the counting process, except in an emergency, unless his or her name is on the written notice required by paragraph (f)(3)a. and subsection (f) above.

- (1) If the Tribal gaming operation permits a member of the count team to enter or leave the count room during the counting process, any employee remaining in the count room shall be required to display his or her hands in accordance with subsection (e) above and to step away from the count table until the count team member has entered or left the count room.
  - (2) The counting and recording process shall be discontinued whenever less than three (3) count team members are present in the count room.
  - (3) Once the counting process has been started, the count room supervisor shall be required to notify the surveillance department closed circuit television monitoring room whenever a count room door will be opened, prior to the opening of such room.
- (h) Procedures and requirements for conducting the count shall be as follows:
- (1) As each drop box or slot cash storage box is placed on the count table, one count team member shall orally announce, in a volume of voice to be heard by all persons present and to be recorded by the audio recording device, the game, table number, and shift marked thereon for drop boxes or slot cash storage boxes;
  - (2) In full view of the closed circuit television cameras located in the count room, the contents of each drop box or slot cash storage box shall be emptied on the count table and either manually counted separately on the count table or counted on a currency or promotional coupon counting machine which has been approved in writing by the Commission and the Board and is located in a conspicuous location on, near or adjacent to the count table;
  - (3) Immediately after the contents of a drop box are emptied onto the count table, the inside of the drop box or slot cash storage box shall be held up to the full view of a closed circuit television camera and shall be shown to the Commission inspector to assure that all contents of the drop

box or slot cash storage box have been removed. The drop box shall then be locked and placed in the storage area for drop boxes approved by the Commission and the Board;

- (4) The contents of each drop box or slot cash storage box shall be segregated by a count team member into separate stacks on the count table by each denomination of coin, currency and promotional coupon, and by type of form, record or document, except that the Commission and the Board may permit the utilization of a machine to sort currency or promotional coupons automatically by denomination;
- (5) Each denomination of coin, token, currency and promotional coupon shall be counted separately by one count team member who shall place individual bills, coins and promotional coupons of the same denomination on the count table in full view of a closed circuit television camera, after which the coin, currency and promotional coupons shall be counted by a second count team member who shall be unaware of the result of the original count and who, after completing this second count, shall confirm the accuracy of the total, either verbally or in writing, with that reached by the first count team member, except that the Commission and the Board may permit the Tribal gaming operation to perform aggregate counts by denomination of all currency and promotional coupons collected in substitution of the second count by drop box or slot cash storage box, if the Commission and the Board are satisfied that the original Counts are being performed automatically by a machine that counts and automatically records the amount of currency or promotional coupons, and that the accuracy of the machine has been suitably tested and proven. The Commission and the Board will permit the utilization of currency and promotional coupon counting machines if prior to the start of the first use of the counting machine each gaming day, except for paragraphs (h)(5)a. and (h)(5)b. below, which shall be performed prior to each count, and except when a Commission inspector may direct the testing of an automatic counting machine prior to each count, in the presence of a Commission inspector, the count room supervisor shall:

- a. Verify that the counting machine has a zero balance on its terminal unit display panel and has a receipt printed which denotes "-0- cash or promotional coupons on hand" and "-0- notes or promotional coupons in machine," or some other means to indicate that the machine has been cleared of all currency and promotional coupons.
- b. Visually check the counting machine to be sure there are no bills or promotional coupons remaining in the various compartments of the machine.
- c. Supervise a count team member who shall randomly select a drop box or slot cash storage box and place the entire contents of that drop box into the first counting machine, which shall count the currency or promotional coupons by denomination and produce a print out of the total amount of currency or promotional coupons by denomination. Any soiled or off-sorted bills or promotional coupons shall be re-fed into the machine and manual adjustments shall be made to the total. Coins or tokens shall also cause manual adjustments to be made to the total. The total as recorded on the counting machine and any adjustments made thereto shall not be revealed to anyone until the final verification process is completed.
- d. Supervise a second count team member, independent of the team member performing the initial count by machine, who shall manually count and summarize the currency and promotional coupons from each drop box or slot cash storage box counted in accordance with paragraph (h)(5)c. above. This total shall be posted and maintained separately from the total posted in paragraph (h)(5)c., and shall not be revealed to anyone until the final verification process is completed.
- e. Supervise the second count team member's passing of the currency or promotional coupons to a count team member, who shall be unaware of the results of the manual count. The count



team member shall count the contents of that drop box or slot cash storage box counted in paragraph (h)(5)c. above using a second counting machine. Such machine shall produce a printout of the total amount of currency or promotional coupons contained in the drop box. Any soiled or off-sorted bills or promotional coupons shall be re-fed into the machine and manual adjustments shall be made to the total. The total as recorded on the counting machine and any adjustments thereto shall not be revealed to anyone until the final verification process is completed.

- f. Following the completion of the test procedures, compare the totals from the test receipts of both counting machines, as computed in paragraphs (h)(5)c. and (h)(5)e., to the manual total computed in paragraph (h)(5)d. If the three totals compared above are in agreement, the count room supervisor shall sign and date and record his or her gaming license number on the test receipts and forward them to the accounting department at the end of the count process.
  - g. If the three totals do not agree, appropriate repairs shall be made to the counting machine and the procedures in paragraphs (h)(5)a. through (h)(5)f. shall be repeated until all totals are in agreement. The Commission shall not permit the counting machine to be used until these totals are in agreement.
- (6) Any promotional coupon deposited into a drop box or slot cash storage box shall be counted and included in the calculation of table game win or loss in accordance with subdivision (h)(8) below, without regard to the validity of the promotional coupon.
  - (7) Any promotional coupon which has not already been canceled upon acceptance or during the count shall be canceled prior to the conclusion of the count, in a manner approved in writing by the Commission and the Board.
  - (8) As the contents of each drop box or slot cash storage box are counted, a count team member shall

manually record or cause a computer system to record, in a manner approved in writing by the Commission and the Board, the following information on the master game report or other supporting documentation by game and table number:

- a. The amount of each denomination of currency counted;
- b. The amount of all denominations of currency counted;
- c. The amount of coin and/or tokens counted;
- d. The total amount of currency and coin or tokens counted;
- e. The total amount of each denomination of promotional coupons other than match play promotional coupons;
- f. The total amount of all denominations of promotional coupons other than match play promotional coupons;
- g. The total amount of each denomination of match play promotional coupons;
- h. Fifty (50) percent of the total amount of all denominations of match play promotional coupons;
- i. The amount recorded on each document evidencing a credit card chip transaction;
- j. The total of the amounts recorded on all documents evidencing credit card chip transactions;
- k. The amount recorded on each document evidencing a debit card chip transaction;
- l. The total of the amounts recorded on all documents evidencing debit card chip transactions;
- m. The amount of the opener;

- n. The amount of the closer;
  - o. The serial number and amount of each counter check;
  - p. The amount of all counter checks counted;
  - q. The serial number and amount of each fill;
  - r. The amount of all fills;
  - s. The serial number and amount of each credit;
  - t. The amount of all credits;
  - u. The gaming date of the items being recorded and the date the master gaming report is being prepared or generated; and
  - v. The marker issuance slip number and amount.
- (9) After the contents of each drop box are counted and recorded, a member of the count team shall manually record or cause the computer to record on the master game report, by game, the total amount of currency, coin, promotional coupons, table inventory slips, counter checks, fills, and credits counted, and win or loss, together with such additional information as may be required on the master game report by the Commission, the Board or the Tribal gaming operation.
- (10) Notwithstanding the requirements of subdivisions (h)(8) and (h)(9) above, if the Tribal gaming operation's approved System of Internal Controls provides for the recording on the master game report or supporting documents of fills, credits, counter checks, markers, documents that evidence credit card or debit card chip transactions, and table inventory slips by cage cashiers prior to commencement of the count or includes a computerized system whereby all fills, credits, counter checks, markers, documents that evidence credit card or debit card chip transactions, and table inventory slips are entered into the computer system at the time of preparation, a count team member shall compare for agreement the totals of the amounts previously recorded or entered to the

fills, credits, counter checks, markers, the documents that evidence credit card or debit card chip transactions, and table inventory slips that are removed from the drop boxes.

- (11) The slot cash storage box report shall be, at a minimum, a two-part form consisting of an original and a duplicate copy unless the Tribal gaming operation chooses, pursuant to subdivision (1)3 below, to make copies of the original slot cash storage box, in which case only an original shall be required. Each additional copy of a multi-part slot cash storage box report shall be clearly labeled as a copy. As the contents of each slot cash storage box are counted, a count team member shall manually record or cause a computer system to record, in a manner approved in writing by the Commission and the Board, the following information on the slot cash storage box report or supporting documentation:

- a. The asset number of the bill changer to which the slot cash storage box contents correspond or, if the Tribal gaming operation utilizes slot cash storage boxes with unique identification number, the number shall be recorded along with the asset number of the slot machine;
- b. The amount of each denomination of currency counted;
- c. The amount of all denominations of currency counted;
- d. The total amount of currency counted for each slot machine denomination;
- e. The total dollar amount of each denomination of coupon;
- f. The total dollar value of all denominations of coupons;
- g. The gaming date of the items being recorded and the total number of all slot cash storage boxes opened and counted.

- (12) Notwithstanding the requirements of subdivisions (h) (8) and (h) (9) above, if the Tribal gaming operation's approved System of Internal Controls provides for the count team functions to be comprised only of counting and recording currency, coin and promotional coupons, accounting department employees shall perform all other counting, recording and comparing duties required by this section;
- (13) After preparation of the master game report or the Slot Cash Storage Box Report, the count team members performing the banking functions and the count room supervisor shall sign and record his or her gaming license number on the reports attesting to the accuracy of the information recorded thereon. All other count team members shall either sign and record his or her gaming license number on the master game report or such other document as approved in writing by the Commission and the Board as evidence of their participation in the counting of the drop boxes. Any person who, in accordance with subsection (f) above, is scheduled to leave the count room prior to the completion of the entire count process, shall also record his or her gaming license number and the time that he or she exited the count room. Any person who enters or leaves the count room due to an emergency shall sign and record his or her gaming license number and record the time of the entry or exit on the master game report or such other document as approved by the Commission and the Board, except that, if the person exiting the count room is unable to sign the document due to the nature of the emergency, the count room supervisor shall record the person's name, gaming license number and time of exit and a notation describing the emergency on the document.
- (i) After the contents of all drop boxes have been counted:
- (1) All cash, tokens, and promotional coupons shall be presented in the count room by a count team member to a main bank cashier or cage supervisor who, prior to having access to the information recorded on the master game report or the Slot Cash Storage Box Report, and in the presence of a count team member and the Commission inspector, shall recount, either manually or mechanically, the cash and

promotional coupons presented and attest by signature and gaming license number on the master game report or the Slot Cash Storage Box Report, the amounts of cash and promotional coupons counted, after which the Commission inspector shall sign the report evidencing his or her presence during the count and the fact that both the cashier or cage supervisor and the count team have agreed on the total amounts of cash and promotional coupons counted. The Tribal gaming operation may, if approved in writing by the Commission and the Board, present the main bank cashier or cage supervisor with the cash and promotional coupons obtained from the count of the drop boxes either:

- a. At the same time, in which event the cash, tokens, and promotional coupons shall be presented immediately after both Counts have been concluded; provided, however, that the Tribal gaming operation shall set forth in its approved System of Internal Controls the procedures for segregating and securing the cash and promotional coupons from the first count that is concluded until presented to the main bank cashier or cage supervisor after the conclusion of the second count; or
- b. Separately, in which event the cash and promotional coupons from each count shall be presented immediately after the conclusion of the count; provided, however, that if the cash and promotional coupons from the first count that is concluded are presented while the second count is in progress:
  1. There shall be no cash, tokens, or promotional coupons in the count room removed from an opened box that has not already been counted at least once; and
  2. All count room employees shall be required to step away from the count table until the presentation is completed and the cash and promotional coupons from the first count are removed from the count room.

(2) The master game report, after signing, and the

requests for fills, the fills, the requests for credits, the credits, the issuance copies of the counter checks, the table inventory slips, the documents evidencing a credit or debit card chip transaction and the promotional coupons removed from drop boxes shall be transported directly to the accounting department and shall not be available to any cashier's cage personnel. All promotional coupons shall be received and processed by the accounting department.

- (3) The original Slot Cash Storage Box Report, after signing, any coupons and gaming vouchers removed from the slot cash storage boxes, and any other supporting documentation shall be transported directly to the accounting department and shall not be available to any cashiers' cage personnel. The accounting department shall record the figures from the Slot Cash Storage Box Report on the Slot Win Report and calculate the total drop for that gaming day. All coupons and gaming vouchers shall be received and processed by the accounting department.
- (4) If the Tribal gaming operation's approved System of Internal Controls does not provide for the forwarding from the cashier's cage of the originals of the fills, credits, requests for credits, and the requests for fills, and the issuance copies of the counter checks, directly to the accounting department, the originals of all such slips recorded, or to be recorded, on the master game report shall be transported from the count room directly to the accounting department by a security department member.
- (j) In addition to the procedures for conducting the count by the count team set forth under subdivisions (h)(4), (h)(5) and (h)(12) above, and the procedures for conducting the recount by a main bank cashier or cage supervisor set forth under subdivision (i)(1) above, in the event of a variance attributable to intermixed denominations of cash or promotional coupons, an adjustment shall be made to the master game report reflecting the amount, type (cash or promotional coupon) and source (identified to a gaming table) of such variance; however if the source of the variance is a gaming table and the gaming table to which the adjustment

should be made can not be identified, the adjustment shall be deemed to be from the drop box of a predesignated blackjack table(s).

- (k) The originals and copies of the master game report, counter checks, the documents that evidence credit or debit card chip transactions, requests for fills, fills, requests for credits, credits, table inventory slips and the test receipts from the currency counting equipment shall, on a daily basis, in the accounting department be:
  - (1) Compared for agreement with each other, on a test basis if the originals are received from the count room, by persons with no recording responsibilities and, if applicable, to triplicates or stored data;
  - (2) Reviewed for the appropriate number and propriety of signatures on a tests basis;
  - (3) Accounted for by series numbers, if applicable;
  - (4) Tested for proper calculation, summarization, and recording;
  - (5) Subsequently recorded; and
  - (6) Maintained and controlled by the accounting department as a permanent accounting record.
- (l) Procedure for counting and recording contents of slot drop buckets and slot drop boxes
  - (1) The opening, counting and recording of the contents of slot drop buckets and slot drop boxes (the "hard count") shall be performed in the count room by at least three employees (the "count team"), which may include the count room supervisor. All members of the count team present in the count room during the counting process shall be required to wear a full-length, one-piece, pocketless outer garment with no openings other than for the hands, feet and neck. The hard count shall be performed in the presence of a Commission representative in accordance with the procedures approved by the Commission and the Board in writing.
  - (2) Except as otherwise approved by the Commission and the Board in writing, the contents of slot drop



buckets and slot drop boxes shall be counted and recorded immediately after removal from their slot machine compartments.

§8. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**34. Slot booths**

- (a) Each establishment may have on or immediately adjacent to the gaming floor one or more physical structures, each to be known as a slot booth, to house one or more slot cashiers and to serve as the central location in the Tribal gaming operation or, when there are multiple slot booths, in that portion of the Tribal gaming operation, for the following:
  - (1) The custody of the slot booth inventory comprising currency, coin, slot tokens, forms, documents, and records normally associated with the operation of a slot booth;
  - (2) The exchange by patrons of coin for currency or slot tokens;
  - (3) The exchange by patrons of currency for currency, coin or slot tokens;
  - (4) The exchange by patrons of gaming chips, prize tokens or slot tokens for currency, slot tokens or coin;
  - (5) The exchange by patrons of coupons for currency, coin or slot tokens in conformity with the procedures approved in writing by the Commission and the Board.
  - (6) The exchange by patrons of signed slot counter checks for currency, coin or slot tokens, or any combination thereof, in conformity with the procedures approved in writing by the Commission and the Board.
  - (7) The issuance of hopper fills in conformity with the procedures approved in writing by the Commission

and the Board.

- (8) The issuance of payouts in conformity with; the procedures approved in writing by the Commission and the Board; and
  - (9) The issuance of coin or slot tokens to automated coupon redemption machines in exchange for proper documentation; and
  - (10) The issuance of cash or slot tokens to patrons upon the presentation of a recognized credit or debit card in accordance with the procedures approved in writing by the Commission and the Board;
  - (11) The issuance, receipt and reconciliation of imprest funds used by slot attendants and changepersons in conformity with the functions set forth herein and upon the preparation of appropriate documentation in accordance with procedures approved in writing by the Commission and the Board;
  - (12) The receipt of currency and coupons from slot attendants in an even exchange for currency;
  - (13) The receipt of coin, currency, coupons, slot tokens, prize tokens or gaming chips from changepersons in an even exchange for coin, currency or slot tokens;
  - (14) The exchange of currency for coin and slot tokens, currency for currency, or coin and slot tokens for currency between slot cashiers upon the preparation of appropriate documentation and in accordance with procedures approved in writing by the Commission and the Board; and
  - (15) The exchange with the master coin bank of coin, currency, slot tokens, prize tokens, gaming chips, coupons, issuance copies of slot counter checks and documentation upon the preparation of a slot booth exchange slip.
- (b) Except for the transactions authorized by subsection (a) above, a slot booth shall not obtain coin, currency, prize tokens or slot tokens, through exchange or otherwise, from any source other than the master coin bank or a coin vault approved by the Commission and the

Board. An exchange with the master coin bank or coin vault must be accompanied by a slot booth exchange slip or by a fill slip authorizing the distribution of coins, prize tokens or slot tokens to the slot booth. A slot booth exchange slip shall be a two-part, serially prenumbered form signed by the master coin bank cashier, slot cashier, and each person transporting the funds.

(c) Each slot booth shall be designed and constructed to provide at all times maximum security for the materials housed therein and for the activities performed therein. At a minimum, each slot cashier window shall be equipped with an electrical system, approved by the Commission and the Board, which enables a slot cashier or other authorized person in the booth to transmit a signal that is audibly and visually reproduced in each of the following locations whenever an emergency exists:

- (1) The monitoring rooms required by the Commission and the Board; and
- (2) The Tribal gaming operation security department of the Tribal gaming operation.

§9. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**35. Slot machines and bill changers; coin and slot token containers; slot cash storage boxes; entry authorization logs**

(a) Each slot machine located in a Tribal gaming operation shall have the following coin, prize token or slot token containers:

- (1) At least one but no more than two containers, each to be known as a payout reserve container ("hopper"), in which coins, prize tokens or slot tokens are retained by the slot machine to automatically pay jackpots or to dispense change as directed by a bill changer connected to the slot machine.
- (2) A container, known as a slot drop bucket or slot drop box, to collect coins or slot tokens that are retained by the slot machine and are not used to make change or automatic jackpot payouts. Each

slot drop bucket or slot drop box shall be identified by a number which corresponds to the asset number of the slot machine, and which is permanently imprinted on or affixed to the outside of the slot drop bucket or slot drop box in numerals. The number must be conspicuous and clearly visible to persons involved in removing or replacing the slot drop bucket or slot drop box in the slot machine and through the Tribal gaming operation's closed circuit camera coverage system. The size and location of the number are subject to prior approval by the Commission and the Board. In addition to bearing an asset number, each slot drop bucket or slot drop box may also be identified by a bar code label that is securely affixed thereto.

- (3) On those slot machines which include a bill changer, a container known as a slot cash storage box, in which currency and coupons accepted by the bill changer are retained. The slot cash storage box shall be accessible only by a dedicated bill changer drop door.
- (b) A slot drop bucket shall be housed in a locked compartment separate from any other compartment of the slot machine. The compartment shall have two locks, the keys to which shall be different from each other and from the keys utilized to secure all other compartments of the slot machine. Keys are to be maintained in accordance with procedures approved in writing by the Commission and the Board.
  - (c) A slot drop box shall have:
    - (1) A slotted opening through which coins and slot tokens can be deposited;
    - (2) A device that will automatically close and lock the slotted opening upon removal of the slot drop box from the slot machine; and
    - (3) Two separate locks securing the contents of the slot drop box, the keys to which shall be different from each other. The keys are to be maintained in accordance with the procedures approved in writing by the Commission and the Board.
  - (d) A slot drop box shall be housed in a locked compartment

separate from any other compartment of the slot machine. The area in which the slot drop box is located shall be secured by two separate locks, the design, location and operation of which shall be approved by the Commission and the Board, and the keys to which shall be different from each other. The keys are to be maintained in accordance with the procedures approved in writing by the Commission and the Board.

- (e) Keys to each slot machine, or any device connected thereto which may affect the operation of the slot machine, with the exception of the keys to the compartments housing the slot drop bucket and to the locks securing the areas where the slot cash storage box and slot drop box are located, shall be maintained in a secure place and controlled by the slot department.
- (f) Any key removed from a department's secure area pursuant to the above procedures, shall be returned no later than the end of the shift of the department member to whom the key was issued, and the department shall establish a sign-out and sign-in procedure approved in writing by the Commission and the Board for all such keys removed.
- (g) Unless a computer which automatically records the information specified in 1, 2, and 3 below is connected to the slot machines in the Tribal gaming operation, the following entry authorization logs shall be maintained by the Tribal gaming operation:
  - (1) Machine entry authorization log shall be used to record at a minimum the date, time, purpose of opening the machine or device, and the signature and gaming license number of the authorized employee opening the machine or device. The machine entry authorization log shall be maintained in the slot machine and shall have recorded thereon a sequential number and a manufacturer's serial number or the asset number of that slot machine.
  - (2) Whenever it is required that a progressive controller not housed within the cabinet of a slot machine be opened, the information specified above shall be recorded on a form to be entitled "progressive entry authorization log." The progressive entry authorization log shall be maintained in the progressive unit and shall have recorded thereon a sequential number and serial

number of the progressive controller.

- (3) With the exception of the transportation of slot cash storage boxes, pursuant to the procedures approved in writing by the Commission and the Board, whenever it is required that a bill changer, other than a separate slot cash storage box compartment, be opened, certain information shall be recorded on a form to be entitled "bill changer log." The information shall include, at a minimum, the date, time, purpose of opening the bill changer, and the signature and gaming license number of the authorized employee opening the bill changer. The bill changer log shall be maintained in the bill changer and shall have recorded thereon a sequential number and the serial number or asset number of the bill changer. If the bill changer is contained completely within the cabinet of a slot machine and there is no separate access to the bill changer unit, the information may be recorded on the machine entry authorization log required by subdivision (g)(1) above, provided that any information that concerns the opening of the bill changer may be distinguished from any other information that concerns the opening of the slot machine or any other device connected thereto.

§10. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**36. Slot machines and bill changers; authorized locations; movements**

- (a) Each slot machine that is on a Tribal gaming operation floor shall be:
  - (1) Placed at an authorized location identified on a Tribal gaming operation floor plan approved in writing by the Commission and the Board; and
  - (2) Identified on a slot machine master list required by the Commission and the Board.
- (b) No slot machine or bill changer shall be removed from or returned to an authorized slot machine location in the Tribal gaming operation or moved from one authorized slot

machine location to another except in accordance with the requirements of the procedures approved in writing by the Commission and the Board.

§11. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**37. Jackpot payouts of cash or slot tokens that are not paid directly from the slot machine**

- (a) Whenever a patron wins a jackpot of coins or slot tokens that is not totally and automatically paid directly from the slot machine, a request for jackpot payout slip ("request") shall be prepared after the preparer observes the combinations on the slot machine and determines the appropriate amount of the payout, based on the winning combinations. If the manual jackpot is less than \$10,000, the preparer of the request shall be a slot attendant or a slot attendant supervisor. If the manual jackpot is \$10,000 or more, the preparer of the request shall be a slot attendant supervisor. The request shall be, at a minimum, a one-part form or the information required on it maintained in stored data, access to which, prior to use or input, shall be restricted to slot attendants and slot attendant supervisors.
- (b) The information to be contained on a request form shall be approved in writing by the Commission and the Board.
- (c) Following preparation, the request shall be immediately transported by the preparer or the information maintained in stored data shall be available to a slot booth, the master coin bank or the cashier's cage where it will serve to authorize the preparation of a jackpot payout slip ("payout") by a slot cashier, master coin bank cashier or general cashier in accordance with the procedures approved in writing by the Commission and the Board.
- (d) Payouts shall be serially prenumbered forms, each series of which shall be used in sequential order, and the series of numbers of all payouts received by a Tribal gaming operation shall be accounted for by employees independent of the cashier's cage and the slot department. All original and duplicate void payouts shall be marked "VOID:" and shall require the signature

and gaming license number of the preparer. Notwithstanding the above, a serially prenumbered combined jackpot payout hopper fill form may be utilized as approved in writing by the Commission and the Board, provided that the combined form shall be used in a manner which otherwise complies with the procedures and requirements established by this section.

- (e) Nothing in this section shall preclude the payment of jackpots in the form of annuity over a period of time not to exceed twenty-five years. Nor shall this section preclude the Tribal gaming operation from participating in progressive jackpots inter-linked to other licensed gaming operations in accordance with procedures approved in writing by the Commission and the Board.

§12. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

### **38. Inspection of slot machine jackpots**

- (a) Prior to the payment of any slot machine jackpot of \$50,000 or more, any jackpot of merchandise or a thing of value with a cash equivalent value of \$50,000 or more, or any jackpot where there is evidence of a malfunction, the Tribal gaming operation shall notify the Commission and the Board that a winning combination has been registered and permit the Commission and the Board to inspect any slot machine, progressive equipment or related equipment involved.
  - (1) Upon notification by the Tribal gaming operation, the Commission and the Board shall advise the Tribal gaming operation whether the Commission and the Board will conduct an inspection. When an inspection is conducted, the Tribal gaming operation may award payment of the jackpot to the winning patron upon completion of the inspection, absent a contrary direction from the Commission and the Board.
  - (2) Failure of the Commission and the Board to object to the payment of the jackpot upon completion of its inspection shall not constitute waiver or estoppel of any charge, issue or claim raised in any criminal or regulatory complaint subsequently



filed against any person in connection with the winning or payment of that jackpot.

- (b) Nothing in subsection (a) above shall be deemed to limit the obligation the Tribal gaming operation to cooperate with the Commission and the Board in any inquiry or investigation concerning slot machine jackpots.

§13. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**39. Procedure for filling payout reserve containers of slot machines and hopper storage areas ("hopper fills")**

- (a) Each hopper of a slot machine may be filled by a slot attendant, slot mechanic or slot supervisor by requesting coin, slot tokens or prize tokens that are compatible with the hopper to be filled from a slot cashier, general cashier or master coin bank cashier or by obtaining coin, slot tokens or prize tokens that are compatible with the hopper to be filled from its corresponding hopper storage area.
- (b) The filling of a hopper or a hopper storage area with coin, slot tokens or prize tokens obtained from a slot cashier, general cashier or master coin bank cashier shall be accomplished in accordance with the procedures approved in writing by the Commission and the Board.

§14. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**40. Removal of slot drop buckets, slot drop boxes and slot cash storage boxes; unsecured currency; meter readings**

- (a) For each slot machine and attached bill changer on the gaming floor, the slot drop bucket, slot drop box and slot cash storage box shall be removed, in a method as approved in writing by the Commission and the Board, at least once a week on specified days and at times designated by the Tribal gaming operation on a schedule which shall be filed with the Commission and the Board. No slot drop bucket, slot drop box or slot cash storage box shall be emptied or removed from its compartment at

other than the times specified on such schedule except with the express approval of the Commission and the Board. Prior to emptying or removing any slot drop bucket, slot drop box or slot cash storage box, the tribal gaming operation shall notify the Commission and the Board and the surveillance department of the transportation route that will be utilized.

- (b) Nothing in this section shall be deemed to require the removal of slot drop buckets, slot drop boxes and slot cash storage boxes from all slot machines from the gaming floor on the same day.

§15. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**41. Gaming vouchers; physical characteristics; procedures for issuance and redemption**

- (a) In conjunction with, or in lieu of, the requirements for a hopper and either a slot drop bucket or slot drop box, the Tribal gaming operation may issue a gaming voucher to automatically pay a jackpot or the amount on a credit meter, which voucher shall be dispensed automatically from a slot machine to a patron, provided that:
  - (1) The slot machine satisfies the requirements of Section 32, and such slot machine is connected to a computerized gaming voucher system that satisfies the requirements of Section 42;
  - (2) The design specifications of the gaming voucher are submitted to and approved by the Commission and the Board prior to issuance, which specifications shall comply with the requirements of subsection (b) below;
  - (3) Each gaming voucher is redeemable only in accordance with the requirements of subsections (c) through (e) below and shall not expire, provided, however, that nothing shall preclude the Tribal gaming operation from restricting the redemption location for a gaming voucher after a specified period of time, above a specified value, or both, in accordance with the approved system of internal controls, provided that adequate written notice

explaining the restriction or restrictions, as approved by the Commission and the Board, is provided to patrons in accordance with subdivision (b) (7) below;

- (4) No gaming voucher shall result in a deduction from gross revenue unless the voucher is redeemed, the system is used to verify the validity of the serial number and value of the voucher, which verification shall be performed upon redemption except as provided in subdivision (d)(6) below, and the voucher is forwarded to and accepted by the accounting department in accordance with the requirements of this section.
  - (5) In addition to the requirements of subdivision (a)(4) above, no gaming voucher redeemed at a slot machine shall result in a deduction from gross revenue unless the gaming voucher is counted in the count room; and
  - (6) The Tribal gaming operation has approved internal controls in accordance with the requirements of this Appendix.
- (b) Each gaming voucher shall be designed and manufactured with sufficient graphics or other security measures, so as to permit, to the greatest extent possible, the proper verification of the voucher. Notwithstanding the forgoing, each gaming voucher shall contain, at a minimum, the following information:
- (1) The name or logo of the Tribal gaming operation;
  - (2) The date and time of issuance;
  - (3) The value of the voucher, in both numbers and words;
  - (4) A unique serial number, which shall be automatically generated by the system in accordance with the requirements of Section 42 and shall include a method of identifying Tribal gaming operation as having issued the voucher;
  - (5) An identifier of the slot machine dispensing the voucher;

- (6) At least one anti-counterfeiting measure, which shall appear on one or both sides of the voucher;
  - (7) The locations where the voucher may be redeemed and any restriction regarding redemption in accordance with subdivision (a)(3) above; and
  - (8) A bar code or magnetic strip which shall enable the system to identify the numeric information in subdivisions (b)(1) through (b)(5) above when the voucher is subsequently presented for redemption.
- (c) Each gaming voucher shall be redeemed by a patron for a specific value of cash, a Tribal gaming operation check in the amount of the gaming voucher surrendered, gaming voucher credits, or slot tokens, which value shall not exceed \$ 10,000.00. Notwithstanding the forgoing, the Tribal gaming operation shall not permit a gaming voucher that is presented for redemption to be redeemed if it knows, or reasonably should know, that:
- (1) The gaming voucher is materially different from the sample of the gaming voucher approved by the Commission and the Board pursuant to this section;
  - (2) The gaming voucher was previously redeemed; or
  - (3) The gaming voucher was printed as a test gaming voucher in accordance with the provisions of subdivision (d)(9) below.
- (d) Prior to issuing a gaming voucher, the Tribal gaming operation shall establish a system of internal controls for the issuance and redemption of gaming vouchers, which internal controls shall be submitted to the Commission and the Board for written approval and shall, at a minimum, provide for the following:
- (1) Upon the presentation of a gaming voucher for redemption, the cage cashier, slot cashier, or slot machine shall use the system to verify the validity of the serial number and value of the voucher, and if valid, the system shall immediately cancel the voucher electronically and permit the redemption of such voucher for the value printed thereon;
    - a. At the end of each shift, gaming vouchers presented for redemption to a general cashier

or slot cashier shall be transferred to the cashier's cage or count room separately from all other inventory items in accordance with internal controls approved by the Commission and the Board; and

- b. Gaming vouchers presented for redemption at a slot machine shall be transported to the count room;
- (2) The Tribal gaming operation shall maintain a record of all transactions in the system for a period of time specified in approved System of Internal Controls, which period shall not be less than ninety (90) days from the date of the transaction, provided that any such records removed from the system after ninety (90) days shall be stored and controlled in a manner approved by the Commission and the Board;
- (3) Notwithstanding subdivision (d) (2) above, the Tribal gaming operation shall maintain an "unredeemed gaming voucher record" of the information required by subdivisions (b) (1) through (b) (5) above for gaming vouchers that have been issued but not yet redeemed, which record shall be stored in the system for a period of time specified in the approved System of Internal Controls, which period shall not be less than two years from the date of issuance of the voucher, provided that:
- a. Any unredeemed gaming voucher record removed from the system after two years shall be stored and controlled in a manner approved by the Commission and the Board;
  - b. Prior to the redemption of a gaming voucher, the complete serial number of the unredeemed voucher shall only be available to the system;
  - c. The redemption of any gaming voucher for which the unredeemed gaming voucher record is not stored in the system shall not result in a deduction from gross revenue, unless the Tribal gaming operation has approved internal controls which require that, prior to redemption, the unredeemed gaming voucher record be reloaded into the system, and the

validity of the serial number and value of the voucher be subsequently verified by the system; and

- d. After the redemption of a gaming voucher for which the unredeemed gaming voucher record has been reloaded into the system, the unredeemed gaming voucher record shall be immediately canceled electronically and the gaming voucher redeemed for the value printed thereon;
4. At the end of each gaming day, the system shall generate reports, as approved by the Commission and the Board, which reports shall be provided to the accounting department for purposes of the reconciliation required by subsection (g) below and shall contain the following information, at a minimum:
    - a. All gaming vouchers that have been issued by each slot machine, including at a minimum, the asset number of the slot machine and the value, date and time of issuance of each voucher;
    - b. All gaming vouchers that have been redeemed and canceled by each redemption location, including at a minimum, the asset number of the slot machine or location if other than a slot machine, the serial number, value, date and time of redemption of each voucher, the total value of all gaming vouchers redeemed at slot machines, and the total value of all gaming vouchers redeemed at locations other than slot machines;
    - c. The unredeemed liability for gaming vouchers;
    - d. If the system is approved to record meter readings, the readings of the slot machine meters and a comparison of such readings to the number and value of issued and redeemed gaming vouchers, as applicable; and
    - e. Exception reports and audit logs;
  - (5) The Tribal gaming operation shall immediately report to the Commission, Board and State law

enforcement authority, using a three-part form, at a minimum, any evidence that a gaming voucher has been counterfeited, tampered with, or altered in any way which would affect the integrity, fairness, reliability or suitability of the voucher;

- (6) Notwithstanding the requirements of subdivision (d)(1) above, if the system is inoperable rendering it unable to determine the validity of a gaming voucher, the Tribal gaming operation may redeem a gaming voucher without first verifying its validity and without immediately canceling the voucher electronically in the system, provided that:
  - a. The value of the voucher is \$500.00 or less;
  - b. The voucher is redeemed by a cage cashier or slot cashier or above, at a location approved in writing by the Commission and the Board;
  - c. The voucher is physically canceled in a manner required by the Tribal gaming operation's approved internal controls and physically segregated and secured until verified and electronically canceled;
  - d. The voucher is verified in the system, pursuant to subdivision (d)(1) above, and electronically canceled in the system as soon as reasonably practicable upon availability of the system;
  - e. The Tribal gaming operation shall compute and record on a report the total number and value of all such vouchers redeemed during each cashier's shift; and
  - f. The redemption of such voucher shall not result in a deduction from gross revenue if the voucher is determined to be counterfeit or otherwise invalid, or if the system is unable to subsequently verify the serial number and value of the voucher;
- (7) Notwithstanding the requirements of subdivision (d)(1) above, upon presentation of a gaming voucher for redemption at a slot machine, the total value of which voucher cannot be completely converted

into an equivalent value of coins or slot tokens that matches the denomination of the coin or slot token which that slot machine is designed to accept in order to activate play, the slot machine shall perform one of the following procedures, as specified in the Tribal gaming operation's approved internal controls:

- a. Automatically issue a new gaming voucher containing the value that cannot be completely converted, either immediately or upon the patron's request; or
  - b. Not redeem the gaming voucher and immediately return the voucher to the patron;
- (8) Should the Tribal gaming operation utilize a system that issues a gaming voucher in lieu of equipping a slot machine with a hopper the system shall have approved internal controls to preclude the generation of a hopper fill for such slot machine, and to identify slot machines with a hopper separately from those without a hopper to ensure the proper collection, recordation, and reconciliation of gross revenue; and
- (9) Should the Tribal gaming operation utilize a system or a slot machine that does not print a test gaming voucher that is visually distinguishable from a valid gaming voucher whenever the slot machine is tested on the gaming floor by a slot attendant, slot mechanic, or slot supervisor shall have approved internal controls for the issuance of test currency to a slot attendant, slot mechanic, or slot supervisor from the cashier's cage and the return and reconciliation of such test currency and any gaming vouchers printed during the testing process.
- (e) Notwithstanding the requirements of subsection (d) above, if a patron requests by mail to redeem a gaming voucher in any value, the Tribal gaming operation may effectuate such redemption, however, only by a cage supervisor, in accordance with the approved internal controls, which shall include, at a minimum, the following:
- (1) Procedures for using the system to verify the validity of the serial number and value of the



voucher, which, if valid, shall be immediately canceled electronically by the system; and

- (2) Procedures for the issuance of a Tribal gaming operation check containing the value of the voucher.
- (f) Nothing in this section shall preclude the Tribal gaming operation from issuing a cash complimentary to a patron in accordance with internal controls approved by the Commission and the Board for the value printed on a gaming voucher that is not otherwise redeemable in accordance with the requirements of this section.
  - (g) All gaming vouchers redeemed at locations other than slot machines shall be transferred to the accounting department on a daily basis in a manner approved in writing by the Commission and the Board. Prior to accepting a transfer of gaming vouchers, an accounting department representative shall perform a piece count of all vouchers being transferred, record the results of such count on a document as approved in writing by the Commission and the Board, and sign the document attesting to the accuracy of the information recorded thereon. All gaming vouchers redeemed by bill changers and counted in the count room shall be forwarded to the accounting department upon conclusion of the count process. Accounting department representatives with no incompatible functions shall perform, at a minimum, the following:
    - (1) On a daily basis:
      - a. Review for the propriety of signatures and all other information on gaming voucher documentation as required in accordance with the provisions of this chapter;
      - b. Compare gaming voucher system reports to gaming vouchers received in accordance with subsection (g) above to ensure proper electronic cancellation of gaming vouchers;
      - c. Calculate the unredeemed liability for gaming vouchers, such as by reconciling the total number and value of redeemed gaming vouchers to the total number and value of gaming vouchers issued through the use of system

reports generated in accordance with the requirements of paragraph (d)(4)c. above, unless the system performs the calculation in a manner approved by the Commission and the Board;

- d. Reconcile the serial number and value of no less than ten (10) percent of all gaming vouchers redeemed at locations other than slot machines to the system report(s) generated pursuant to subdivision (d)(4) above, or alternatively, a sample of all such gaming vouchers selected at random, to a required statistical confidence level of 98 percent with a precision of plus or minus two percent, provided that the procedures for selecting the sample size and for assuring a proper selection of the sample are submitted to and approved by the Commission and the Board;
- e. Complete the slot win report for the recordation of all gaming voucher revenue and deductions for gaming vouchers redeemed in accordance with the following:
  1. Gaming voucher revenue shall be the greater of the value of gaming vouchers redeemed, as recorded on the gaming voucher system report required by paragraph (d)(4)c. above, or the value of gaming vouchers counted in the count room, as recorded on the slot cash storage box report;
  2. Deductions for gaming voucher redemptions shall be the lesser of the value of gaming vouchers redeemed, as recorded on the gaming voucher system report required by paragraph (d)(4)c. above, or the total of the value of gaming vouchers counted in the count room, as recorded on the slot cash storage box report, plus the value of gaming vouchers transferred in accordance with subsection (g) above; and
  - (3) No adjustment shall be made to the amounts recorded on the slot win report in accordance with subparagraphs (g)(1)

e. 1. and (g)(1) e. 2. above unless the reason for the adjustment is adequately documented and explained to the satisfaction of the Commission and the Board and the amount of the adjustment is determined by the Commission and the Board to be necessary in order to accurately report the Tribal gaming operation's gross revenue; and

f. Attach or file with the slot win report for the applicable gaming day any system reports and other items approved in the Approved internal controls as supporting documentation;

2. On a weekly basis:

a. Compare the readings of the slot machine meters to the number and value of issued and redeemed gaming vouchers, as applicable; and

b. Review exception reports and audit logs;

3. Sign each system report or item reviewed in accordance with internal controls approved pursuant to subsection (g), subdivisions (g)(1), and (g)(2) above, attesting to the accuracy of the information recorded thereon; and

4. Maintain and control redeemed gaming vouchers until destruction in accordance with the records retention requirements of the Compact.

(h) No adjustment to the value of any gaming voucher shall be made without the written approval of the Commission and the Board.

§16. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**42. Computerized gaming voucher systems; required procedures**

(a) In order to issue or redeem gaming vouchers in accordance with the procedures contained within Section 41, the Tribal gaming operation shall operate a computerized gaming voucher system which satisfies the requirements of

this section. Each slot machine and redemption location other than a slot machine that redeems gaming vouchers shall be connected to such a system, provided that no slot machine or other redemption location may be connected to, or disconnected from, such a system without approved internal controls and prior written approval of the Commission and the Board to connect or disconnect each slot machine and other redemption location.

- (b) All aspects of a system, including all hardware and software utilized therein, shall be subject to testing as a slot machine pursuant to Section 48 and review and approval by the Commission and the Board prior to the implementation of the system by the Tribal gaming operation and following implementation, prior to any changes thereto.
- (c) Each system shall perform the following functions, at a minimum, in order to control logical access to the system:
  - (1) Generate daily monitoring logs of user access, security incidents and unusual transactions, and immediately notify the MIS department, the Commission and the Board of critical security incidents and unusual transactions in a manner approved by the by the Commission and the Board in writing;
  - (2) Be capable of assigning rights and privileges to each user, including:
    - a. Allowance for the secure administration of a unique system account for each user to provide an adequate segregation of duties; and
    - b. Contain adequate password parameters such as lockout, minimum length, and expiration interval;
  - (3) Use appropriate access permissions to restrict unauthorized users from viewing, changing or deleting critical files and directories; and
  - (4) Utilize encryption for files and directories containing critical or sensitive data, which at a minimum shall include the unredeemed gaming voucher record. Notwithstanding the foregoing, in lieu of

utilizing encryption for files and directories containing critical or sensitive data, the system shall be designed to permit, and the Tribal gaming operation shall implement, internal controls approved in writing by the Commission and the Board to restrict users from viewing the contents of such files and directories, which internal controls shall, at a minimum, provide for the following:

- a. The effective segregation of duties and responsibilities with regard to the system in the MIS department; and
  - b. The automatic monitoring and recording by the system of access by any person to such files and directories.
- (d) Each system shall perform the following functions, at a minimum, in order to control system operations:
- (1) Generate daily monitoring logs and alert messages for system performance, hardware problems, and software errors;
  - (2) Authenticate the identity of a slot machine or other redemption location from which a transmission of data is received;
  - (3) Ensure that all data sent through a transmission is completely and accurately received;
  - (4) Detect the presence of corrupt or lost data packets and, as necessary, reject the transmission; and
  - (5) Utilize an appropriate cryptographic system, such as public/private key encryption, for all critical transmissions of data, such as transmissions that include a gaming voucher serial number, slot machine meter information, or any other information used in the calculation or verification of gross revenue.
- (e) Each system shall perform the following functions, at a minimum, in order to control the integrity of data:
- (1) Generate a unique serial number for each gaming voucher, with a portion of the serial number comprised of randomly generated numbers, symbols or

characters, as approved in writing by the Commission and the Board, or by such other method as approved by the Commission and the Board, which numbers, symbols or characters shall be constructed in a manner so as to prevent a person from being able to predict the composition of any other serial number generated by the system;

- (2) Validate the data type and format of all inputs to critical fields and reject any corrupt data;
  - (3) Provide for the automatic and independent recordation of critical data upon gaming voucher generation and redemption;
  - (4) Provide for verification of the information contained on a gaming voucher presented for redemption and the unredeemed gaming voucher record to a source that separately records and maintains transaction data, such as an automated transaction log, or such other compensating procedure as approved by the Commission and the Board, which procedure shall:
    - a. Independently verify the accuracy of the gaming voucher serial number and value prior to redeeming the gaming voucher; and
    - b. Not be used to satisfy any other requirements of this Section; and
  - (5) Segregate all security critical system programs, files and directories from all other programs and files and directories contained in the system.
- (f) Each system shall be equipped with the following, at a minimum, in order to address continuity:
- (1) Data redundancy, such as disk mirroring, which writes a complete and duplicate copy of all data on the primary disk to a secondary disk as it occurs, to permit a complete and prompt recovery of all information in the event of any malfunction;
  - (2) Environmental protection, such as an uninterruptible power supply, and fireproof and waterproof materials designed to protect critical hardware from a natural disaster; and

- (3) A backup capability, which enables the Tribal gaming operation to create, in accordance with procedures approved pursuant to subdivision (h)(10) below, periodic backup copies of files and data on a removable storage device, such as magnetic tape, which shall be separate from the devices required in accordance with subdivision (f)(1) above.
- (g) Each system shall immediately inform the Tribal gaming operation of any malfunction, in a manner approved by the Commission and the Board. Following any malfunction of a system, the Tribal gaming operation shall immediately notify the Commission and the Board, and shall not utilize the system until the malfunction has been successfully repaired. Notwithstanding the foregoing, the Commission and the Board may permit a Tribal gaming operation to utilize the system prior to it being successfully repaired, for a period not to exceed 72 hours, provided that:
- (1) The malfunction is limited to a single storage media device, such as a hard disk drive;
  - (2) In addition to the malfunctioning storage media device, the system contains a backup storage media device not utilized in the normal operation of the system, which backup device shall immediately and automatically replace the malfunctioning device, to permit a complete and prompt recovery of all information in the event of an additional malfunction; and
  - (3) Continued use of the malfunctioning system would not inhibit the ability to perform a complete and prompt recovery of all information, and would not otherwise harm or affect the normal operation of the system.
- (h) Prior to implementing a system, the Tribal gaming operation shall establish a system of internal controls which addresses the integrity, security and control of its system which internal controls shall be submitted to the Commission and the Board for approval and shall, at a minimum, provide for the following:
- (1) Documentation of the system design and layout in both narrative and diagrammatic formats, user manuals, and a list of all configurable options and

settings;

- (2) Copies of all documents generated in accordance with the requirements of subdivisions (c)(1) and (d)(1) above;
- (3) Procedures for assigning a slot machine's asset number and identifying other redemption locations in the system, and enabling and disabling voucher capabilities for such slot machines and redemption locations;
- (4) Procedures for issuance, modification, and termination of a unique system account for each user in accordance with the requirements of paragraph (c)(2) a. above;
- (5) Constraints used to configure and maintain user passwords in accordance with the requirements of paragraph (c)(2) b. above;
- (6) Procedures for restricting special rights and privileges, such as "administrator" and override capabilities, in accordance with the requirements of subdivision (c)(3) above;
- (7) The duties and responsibilities of the MIS, internal audit, slot and accounting departments, respectively, and the level of access for each position with regard to the system, in accordance with the requirements of subdivision (c)(3) above;
- (8) Identification of all software files and directories, the location and a description of each, and the reports generated from such files, which software files, directories, and locations shall not be changed except in accordance with the provisions of subsection (i) below;
- (9) A description of physical controls on all critical hardware such as locks and surveillance, including the location and security of each piece of equipment as approved by the Commission and the Board;
- (10) Procedures for the backup and timely recovery of critical data and failure analysis, in accordance with the requirements of subdivision (f)(3) above;



- (11) Logs used to document and maintain the details of any hardware and software modifications upon implementation, which modifications shall be first approved in accordance with the provisions of subsection (i) below and thereafter performed in accordance with the requirements of subsection (j) below; and
  - (12) Procedures for reviewing the system's operation and, the adequacy and effectiveness of policies and procedures.
- (i) Prior to implementing any programming change, upgrade, or hardware addition or replacement to an existing system, the Tribal gaming operation shall provide at least 72 hours advanced written notice to the Commission and the Board in accordance with the requirements of this subsection, except that the Commission and the Board may permit Tribal gaming operation to change or upgrade non-critical software files or directories or hardware, as recommended by the Independent Gaming Test Laboratory and specifically identified in the approved internal controls, provided that written notice in accordance with the requirements of this subsection shall be filed within 24 hours following the change. Any written notice filed by the Tribal gaming operation in accordance with this subsection shall include, without limitation, the following:
- (1) A description of the reasons for the proposed modification;
  - (2) A list of the computer components and programs or versions to be modified or replaced;
  - (3) A description of any screens, menus, reports, operating processes, configurable options, or settings that will be affected;
  - (4) The method to be used to complete the proposed modification;
  - (5) Date that the proposed modification will be installed and the estimated time for completion;
  - (6) Name, title, and employer of the person(s) to perform the installation;

- (7) A diagrammatic representation of the proposed hardware design change;
  - (8) Restriction on "update" access to the production code to the person implementing the modification; and
  - (9) Procedures to ensure that user and operator manuals are updated to reflect changes in policies and procedures resulting from the proposed modification.
- (j) Subject to any testing required by Section 48 and approval by the Commission and the Board upon receipt of the notification required by subsection (i) above, modifications to the system shall be installed in the presence of an employee of the MIS department with no incompatible functions and a Commission inspector. Following completion of the modification, the Tribal gaming operation shall generate a record detailing the modification on the system or, if the system does not have the capability of generating such a record, such other record as may be required by the Commission and the Board. In the event the Commission and the Board determines that testing is required after the modification, the Commission and the Board shall establish the terms and conditions of such a test.

§17. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**43. Issuance and use of slot tokens for gaming; prize tokens; slot token and prize token specifications; promotional non-gaming tokens**

- (a) The Tribal gaming operation may issue the following types of metal disks having two faces and an edge:
  - (1) A "slot token" that is:
    - a. Designed for gaming use in the hoppers of the Tribal gaming operations slot machines and in keno wagering within the Tribal gaming operation;
    - b. Capable, upon insertion into the coin acceptor

of a designated slot machine operated by the Tribal gaming operation that issued the slot token, of activating the play of that slot machine;

- c. Issuable, in an exchange with a patron upon request, only from a slot booth, the cashier's cage, a change machine or bill changer, or by a changeperson;
- d. Redeemable, by the Tribal gaming operation promptly upon request of the patron surrendering one or more slot tokens, only at a coin redemption booth, a slot booth or the cashier's cage for an equivalent amount of cash or for a Tribal gaming operation check in the amount of the slot tokens surrendered and dated the day of the redemption; and, at the Tribal gaming operation's option redeemable upon request of the patron by mail, provided such redemption shall be effectuated by a cage supervisor.

(2) A "prize token" that is:

- a. Designed to be awarded and issued only as a payout from a payout-only hopper of a designated slot machine.
- b. Redeemable, by the Tribal gaming operation upon request of the patron surrendering one or more prize tokens, only at a coin redemption booth, a slot booth or the cashier's cage for an equivalent amount of cash or for a Tribal gaming operation check in the amount of the prize tokens surrendered and dated the day of the redemption; and, at the option of Tribal gaming operation, redeemable upon request of the patron by mail, provided such redemption shall be effectuated by a cage supervisor.

(b) Each slot token and each prize token shall be designed so that it:

- (1) Clearly identifies the name or trade name of the Tribal gaming operation;
- (2) Clearly states its fact value;

- (3) Contains on at least one face, in the case of a slot token only, a statement, approved by the Tribal gaming operation as to form and content, that notifies a patron that the slot token will be accepted to activate play only in slot machines operated by the Tribal gaming operation.
- (4) Contains the statement "Not Legal Tender";
- (5) Is not deceptively similar to any current or past coin of the United States or a foreign country;
- (6) Is of a size or shape or has other characteristics which physically prevents its use in lawful vending machines or other machines designed to be operated by coins of the United States, except slot machines;
- (7) Is not manufactured from:
  - a. A three-layered material consisting of a pure copper core clad on both sides with a copper-nickel alloy;
  - b. A copper based alloy, unless the total zinc, nickel, aluminum, magnesium and other alloying metal exceeds 25 percent of the token's weight; or
  - c. A ferromagnetic material;
- (8) Shall not have a diameter which is between:  
0.680 inch and 0.860 inch  
0.890 inch and 0.980 inch  
1.018 inches and 1.068 inches  
1.180 inches and 1.230 inches  
1.475 inches and 1.525 inches
- (9) Shall not weigh less than two grams and shall not be less than 0.060 inch thick;
- (10) Incorporates such anti-counterfeiting features and other security measures as the Commission and the

Board may require; and

(11) Contains on each face, in the case of a prize token only, a statement, approved by the Commission and the Board in writing as to form and content, that notifies a patron that the prize token does not activate play.

(c) In addition to the above requirements, the following denominations of slot tokens must also meet the following specifications, with manufacturing tolerances approved by the Commission and the Board in writing:

Denominations	Diameter
\$ .10	.875 inches
\$ .25	.986 inches
\$ .50	1.175 inches
\$ 1.00	1.469 inches
\$ 2.00	1.340 inches
\$ 5.00	1.750 inches
\$ 10.00	1.700 inches
\$ 20.00	1.650 inches
\$ 25.00	1.875 inches or 1.950 inches
\$ 50.00	1.812 inches
\$ 100.00	1.600 inches
\$ 500.00	1.550 inches

(d) Each prize token with a face value that is less than the denomination of any slot token that is approved for use by any Tribal gaming operation shall be designed, through differences between it and such slot token in their metal content, diameter, thickness or by any other means approved by the Commission and the Board in writing, to prevent its use for activating play at any slot machine that is capable of accepting any slot token of greater denomination than the prize token.

- (e) The Tribal gaming operation, in accordance with its approved System of Internal Controls, may encase its prize tokens in clear plastic provided that:
  - (1) The plastic does not hamper the payout of prize tokens from a payout-only hopper;
  - (2) A patron with reasonable ease can remove the prize token from the plastic; and
  - (3) The Tribal gaming operation:
    - a. Redeems each prize token under the same terms and conditions whether or not the prize token, when presented for redemption, is encased in plastic as originally issued by the Tribal gaming operation
    - b. Reasonably notifies its patrons that prize tokens that are encased in plastic when originally issued to the patron may be redeemed without removing the plastic.
- (f) No slot token or prize token shall be issued by the Tribal gaming operation or utilized in a gaming facility unless and until:
  - (1) The design specifications of the proposed slot token or prize token are, prior to the manufacture of the slot token or prize token, submitted to and approved by the Commission and the Board in writing, which submission shall include a detailed schematic depicting the actual size of the token's diameter and thickness and, as appropriate, location of the following:
    - a. Each face;
    - b. The edge; and
    - c. Any words, logos, designs, graphics or security measures contained on the slot token or prize token; and
  - (2) A sample slot token or prize token, manufactured in accordance with its approved design specifications, is submitted to and approved by the Commission and the Board in writing.

(g) The Tribal gaming operation may issue promotional non-gaming tokens not intended for and prohibited from use in gaming in its facility. The physical characteristics of promotional non-gaming tokens shall be sufficiently distinguishable from approved design specifications of any authorized slot token issued by the Tribal gaming operation so as to reasonably ensure that they will not be confused with authorized slot tokens and that they will be incapable of activating slot machine play at any slot machine operated by the Tribal gaming operation. In addition, at a minimum, such promotional non-gaming tokens shall:

- (1) Be unique in terms of size or metallic composition;
- (2) Be not deceptively similar to any current or past coin of the United States or a foreign country, nor have characteristics which physically allow their use in lawful vending machines or other machines designed to be operated by coins of the United States; and
- (3) Bear the name and location of the Tribal gaming operation on at least one face and language on both faces stating that they do not activate slot machine play.

§18. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**44. Wagering at slot machines; use of slot tokens and prize tokens**

- (a) All wagering at slot machines in a gaming facility shall be conducted with coins or slot tokens; provided, however, that currency, gaming vouchers and coupons may be accepted through bill changers.
- (b) Slot tokens may be used to make keno wagers.
- (c) Prize tokens shall not be used for keno wagering or to activate play at slot machines.

§19. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**45. Slot tokens and prize tokens; receipt, inventory, security, storage and destruction**

- (a) The Tribal gaming operation shall inspect all slot tokens or prize tokens, or any combination thereof, upon receipt from the manufacturer or distributor to ensure, at a minimum, that:
  - (1) The quantity and denomination of slot tokens or prize tokens that are actually received from the manufacturer or distributor agrees with the amount of such tokens listed on the shipping documents; and
  - (2) There are no physical defects in the slot tokens or prize tokens that were so received.
- (b) The inspection required by subsection (a) above shall be conducted by at least three employees of the Tribal gaming operation (the "Inspection team"). Each inspection team shall consist of at least one representative from the accounting or auditing department of the Tribal gaming operation and one representative from any of the Tribal gaming operation's other mandatory departments.
- (c) The Tribal gaming operation shall utilize procedures to record and process the receipt, inventory, storage and destruction of slot tokens and prize tokens.

§20. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**46. Progressive elements in slot machines.** Each progressive system shall meet the game standards set forth in this section which shall apply to each progressive slot machine linked to a progressive controller.

- (a) A progressive slot machine means a slot machine that has an increasing jackpot prize based on a function of credits that are bet. However, the progressive element shall not be considered to include games that incorporate a bonus feature as part of the game theme which offers awards that increase as the game is played.
- (b) Progressive display requirements.



- (1) Generally. Five or more progressive slot machine(s) shall be linked, directly or indirectly, to a mechanical, electrical, or electronic progressive meter, including a video display, if applicable, that reflects a payoff which increments at a set rate of progression as credits are wagered. A progressive meter shall be visible to all players who are playing a device which may potentially win the progressive jackpot prize amount if the pre-designated progressive jackpot combination appears. The above parameters shall be verified on-site prior to commencement of gaming activities by an independent gaming test laboratory. Each progressive meter shall display the current total of the progressive jackpot in monetary value or credits.
- (2) Types of Updating Displays. The use of odometer and other "paced" updating displays may be utilized. Each progressive jackpot meter shall display the winning jackpot prize value within thirty (30) seconds of the winning jackpot combination being recognized by the central system. When paced updating displays are utilized, the system jackpot meter shall display the winning value after the jackpot broadcast is received from the central system.

(c) Progressive controller standards and requirements

- (1) Progressive controller description. A progressive controller shall mean all of the hardware and software that controls all communications among the devices that calculate the values of the progressive jackpot prize(s) and displays such information within a progressive slot machine link and on the associated progressive jackpot meter.
- (2) Progressive controller program interruption. After a program interruption (e.g. power down), the software shall be capable of recovering to the state it was in immediately prior to the program interruption.
- (3) Progressive resumption. Upon program resumption, the following procedures shall, at a minimum, be performed:

- a. No communication to an external device shall commence until the program resumption routine, including self-testing, is completed successfully;
  - b. Progressive system control programs shall test themselves for possible corruption due to failure of the program storage media. The authentication may use the checksum; however, it is preferred that the Cyclic Redundancy Check calculations be used as a minimum (at least 16 bit); and
  - c. The integrity of all critical memory shall be checked.
- (4) Access to the progressive controller. Each progressive controller used with progressive slot machines shall be housed in a secure environment allowing only authorized accessibility. Access to the progressive controller shall be in conformance with internal control standards approved in writing by the Commission and the Board.
- (5) Progressive controller required meters. The progressive controller or other approved progressive system component shall maintain the following information in non-volatile memory utilizing meters certified by an independent gaming test laboratory at least 99.99% accurate, which shall display on command:
- a. The number of progressive jackpot prizes won on each progressive level if the progressive jackpot display has more than one (1) winning amount;
  - b. The cumulative amounts paid on each progressive level if the progressive display has more than one (1) winning amount;
  - c. The maximum amount of the progressive jackpot payout for each level displayed;
  - d. The minimum amount of the progressive jackpot payout for each level displayed; and
  - e. The rate of progression for each level

displayed.

- (6) Progressive controller error conditions. When a progressive controller error occurs, the displays shall alternate between the current amount and an appropriate error message that is visible to all players, or which alerts the tribal gaming operation to the error condition. If the following events occur, the game utilizing the progressive feature shall be disabled, and an error shall be displayed on the progressive jackpot meter, another approved progressive system component or the slot machine:

- a. During a communication failure;
- b. When there have been multiple communication errors;
- c. When a controller checksum or signature has failed;
- d. When a controller's RAM or program storage device mismatch or failure occurs;
- e. When the progressive jackpot configuration is lost or is not set;
- f. If there has been an unreasonable amount of credits bet, defined by the progressive systems set up, which is based on the number of bets and the number of slot machines; or
- g. If, when the slot machine's game meters are validated against the progressive controller's meters (via communications between the game board and controller) they do not reconcile.

(d) Progressive jackpot prize standards and requirements

- (1) Setting the progressive jackpot prize amounts. The method by which system jackpot parameter values are modified or entered shall be secure. All progressive slot machines and/or any approved progressive system component shall display, upon request, the following information for each progressive jackpot prize offered (if applicable):

- a. Current value (the current progressive jackpot prize amount);
  - b. Overflow (the amount exceeding a predetermined limit);
  - c. Hits (the number of times a progressive jackpot prize has been won);
  - d. Wins (the total value of progressive jackpot prizes awarded or a history of the last 25 progressive jackpot prize hits);
  - e. Base (the starting value of the progressive jackpot prize);
  - f. Increment (the Commission approved percentage increment rate for each credit or monetary unit bet);
  - g. Secondary increment (the percentage increment rate after an approved limit has been reached);
  - h. Hidden increment (the percentage increment rate for the reserve pool. The next base amount shall be computed or posted to advise the player of this contribution);
  - i. Reset value (the amount the progressive jackpot meter resets to after the progressive jackpot prize is awarded); and
  - j. The number of slot machines enrolled in the progressive link.
- (2) Communications for signaling a jackpot. There shall be a secure, two-way communication protocol between the main game processor Board and the progressive system. In addition, the progressive system shall be capable of:
- a. Sending to each slot machine the amount that was won for metering purposes; and
  - b. Constantly updating the progressive jackpot prize display(s) as play on the link is continued.

- (3) Controller and display functions during progressive jackpot win. When a winning progressive jackpot prize is recorded on a slot machine the progressive controller shall permit the following to occur on the device and/or progressive jackpot prize display:
  - a. Display of the winning jackpot prize amount;
  - b. Display of the slot machine identification that caused the progressive jackpot meter to activate;
  - c. The progressive controller shall automatically reset to the Commission approved reset amount and continue normal play; and
  - d. Display the new progressive jackpot prize value(s) currently on the link.
- (4) Swapping progressive levels. For progressive games offering multiple levels of prize awards, the player shall always be paid the higher progressive amount, if a particular winning combination appears that warrants that higher paying award. This may occur when a winning combination is determined to qualify for more than one of the available paytable combinations (such as a Flush may also be a form of a Straight Flush, and a Straight Flush may be a form of a Royal Flush). When a player is awarded the lower prize under such a condition the progressive levels shall be swapped to ensure that the player is awarded the highest possible progressive jackpot prize value he or she is entitled to.
- (5) Slot machine requirements when any progressive jackpot prize is awarded. When a progressive jackpot prize has been awarded, the slot machine or other approved progressive component shall perform the following:
  - a. A message identifying the prize awarded shall be displayed;
  - b. Unless the prize is transferred to the player's credit meter the software and game shall

become disabled until the award has been paid by an authorized gaming employee; and

- c. All progressive jackpot-related meters shall be updated.
- (6) Progressive jackpot slot machine metering requirements. Each slot machine shall continuously update its electronic meters to reflect the winning progressive jackpot prize amount(s). Progressive jackpot wins may be added to the credit meter if:
- a. The credit meter is maintained in either monetary value or credits;
  - b. The progressive jackpot meter is incremented only in whole credit amounts; or
  - c. The progressive jackpot prize, in monetary value, is converted to credits upon transfer to the player's credit meter in a manner that shall not mislead the player. The conversion from monetary value to credits shall always round up.
- (e) Miscellaneous progressive jackpot game requirements and standards
- (1) Monitoring of credits bet. During the "normal mode" of progressive slot machines, the progressive controller shall continuously monitor each slot machine enrolled in the link for credits bet and shall multiply that total by the approved rate of progression and denomination in order to determine the correct amounts to apply to the progressive jackpot. This function shall be certified by an independent gaming test laboratory to be at least 99.99% accurate.
  - (2) Linked slot machine odds. Each slot machine enrolled in a progressive link shall have a nearly identical probability of attaining the number(s), color(s) or symbols(s) designated as the winning combination as any other slot machine enrolled in that progressive link.

§21. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and

Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**47. Maintenance, repair and servicing of slot machines.**

- (a) The Tribal gaming operation shall not alter the operation of approved slot machines or associated equipment and shall ensure that the slot machines and associated equipment are maintained in proper working condition.
- (b) Only the following persons may service or repair a slot machine or associated equipment:
  - (1) A technician employee of a licensed manufacturer;
  - (2) A technician certified by a licensed manufacturer and employed by a licensed Distributor; or
  - (3) A slot mechanic employed by the Tribal gaming operation who has successfully completed a training course approved in writing by the Commission and the Board regarding the service and/or repair of slot machines or associated equipment.
- (c) Each licensed manufacturer must maintain a certification program for the purpose of training and certifying technicians and slot mechanics to service and repair slot machines manufactured by that licensed manufacturer. Upon request, the licensed manufacturer shall provide evidence of such program to the Commission and the Board, including a full description of the program, models of slot machines for which training is provided, criteria for certification, information concerning instructor qualifications, and copies of training materials and tests. Any program deemed insufficient by the Commission and the Board shall be modified at the Commission and the Board's request.
- (d) Each licensed manufacturer shall ensure that its technician employees have received sufficient and appropriate training in the service and repair of each of its approved slot machine models before the slot machine may be placed in operation in the gaming facility.
- (e) Each licensed manufacturer that certifies other persons as technicians or slot mechanics shall ensure that such have received sufficient and appropriate training in the service and repair of the approved slot machine(s) to be

operated by the Tribal gaming operation, or to be distributed by a licensed Distributor employing the technician. Such training shall meet the requirements of subsection (c) above.

- (f) Upon request of the Commission and the Board, a certified technician, or a licensed manufacturer, or Distributor employing the technician, shall provide proof satisfactory to the Commission and the Board of the technician's certification, in accordance with subsection (c) above.
- (g) The Tribal gaming operation shall ensure that all service and repairs on its slot machines, including the installation or repairs of component parts such as bill acceptors, monitoring systems, or other parts that may alter the current or subsequent operation of a slot machine, are made correctly and in compliance with these standards and any additional Commission and the Board requirements.
- (h) Except for certified technicians and slot mechanics, as defined herein, no employee of the Tribal gaming operation or any other person may perform service on or repair any slot machine or associated equipment other than incidental repairs, as such terms shall be jointly defined by the Commission and the Board in writing, which cannot affect any of the devices' major systems or require that the person performing the service or making the repair access any internal space within a slot machine or any of its associated equipment.
- (i) The exterior door keys shall be issued, on a per shift basis, only to personnel qualified under subsection (b) with maintaining the devices. When exterior door keys are not in use they shall be maintained in a locked box designed for the purpose of securing the keys, the key to which shall be controlled and maintained by the Commission.
- (j) The Tribal gaming operation shall maintain a written maintenance log inside the main cabinet access area of each slot machine. Every person who gains entry into any internal space of a slot machine must sign the maintenance log, record their gaming employee license or registration number, indicate the date and time of entry, indicate any mechanical meter readings, and list all areas inspected, repaired or serviced. The Tribal gaming



operation shall retain the maintenance log for a period of five years and shall make the maintenance log immediately available to the Commission and the Board or its authorized agents upon request.

- (k) The Tribal gaming operation shall notify the Commission and the Board and the security department prior to gaining entry into any slot machine, or accessing the area in which the network controller computers are located. Tribal gaming operation employees accessing the area in which the network controller computers are located shall be accompanied at all times by personnel from the security department and personnel or inspectors of the Commission.

§22. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**48. Integrity of slot machines**

- (a) Designation of independent gaming test laboratory. The Commission shall propose to the Board, with supporting documentation, an independent gaming test laboratory which is competent and qualified to conduct scientific tests and evaluations of slot machines and to otherwise perform the functions set forth in this Section. The retention of the independent gaming test laboratory is subject to the consent of the Board, but the Board shall not unreasonably withhold its consent if the independent gaming test laboratory holds a license in good standing with a gaming jurisdiction in the United States. If, at any time, any of the independent gaming test laboratory's licenses are suspended, terminated or subject to disciplinary action, the independent gaming test laboratory shall discontinue its responsibility under this Section and the Commission shall propose a new independent gaming test laboratory as provided herein.
- (b) Testing and approval of slot machines. No slot machine may be exposed for play unless:
  - (1) The Class III Gaming Services Enterprise which sells, leases or distributes such slot machines has obtained a Class III Gaming Services Enterprise license pursuant to Appendix C of this Compact; and

- (2) The slot machine, or a prototype thereof, have been tested, approved and certified by the independent gaming test laboratory as meeting the requirements specified by this Compact or Appendices, in accordance with the following process.
- (3) The Commission shall require that the Class III Gaming Services Enterprise provide the independent gaming test laboratory with at least two (2) copies of slot machine illustrations, schematics, block diagrams, technical and operation manuals, program object and source codes, hexadecimal dumps (the compiled computer program represented in base 16 format), if any, and all other information requested by the independent gaming test laboratory. The Class III Gaming Services Enterprise shall make all such materials available to the Board upon request, subject to confidentiality.
- (4) If the Commission is requested by the independent gaming test laboratory, the Commission or Tribal gaming operation shall require the Class III Gaming Services Enterprise to transport not more than two (2) working models of the slot machines to a location designated by the laboratory for testing, examination or analysis. Neither the Commission nor the independent gaming test laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the components of the slot machines resulting from the testing, examination or analysis. If the Commission is requested by the independent gaming test laboratory, the Commission or Tribal gaming operation shall require the Class III Gaming Services Enterprise to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis. At the conclusion of each test the independent gaming test laboratory shall provide to the Commission and the Board a report that contains findings, conclusions and a certification that the slot machines conform or fail to conform to the requirements specified by this Compact. If the independent gaming test laboratory determines that a slot machine fails to conform to such requirements, and if modifications can be made which would bring the slot machines

into compliance, the report may contain recommendations for such modifications. Neither the Commission nor the Board are bound by the findings, conclusions or certifications of the independent gaming test laboratory for purposes of their regulatory responsibilities under the provisions of this Compact.

- (5) Each Class III Gaming Services Enterprise shall assemble and install all slot machines pursuant to a procedure approved in writing by the Commission and the Board.

(c) Modifications of slot machines

- (1) No modification to the assembly or operation of any slot machine may be made after initial testing and certification unless the independent gaming test laboratory certifies to the Commission and the Board that the slot machine, as modified, conforms to the requirements specified by this Compact and Appendices. All such proposed modifications shall be described in a written request made to the Commission, the Board and the independent gaming test laboratory. The request shall contain information describing the proposed modification and the reason(s) therefore, and shall provide all documentation required by the independent gaming test laboratory.

- (2) Emergency situations. In situations deemed by the Commission and the Board as an emergency where modifications are necessary to preserve the integrity of any slot machine, the Tribal gaming operation shall not be precluded from implementing a modification prior to a temporary certification of the modifications by the independent gaming test laboratory. In those situations, the independent gaming test laboratory is authorized to grant temporary certification of the modifications for up to thirty (30) days pending compliance with this Section.

- (d) Conformity to technical standards. Before any slot machine may be exposed for play, the Commission shall first have obtained and submitted to the Board a written certification from the Class III Gaming Services Enterprise that upon installation, any slot machine placed at the gaming facility will conform precisely to

the exact specifications of the slot machines tested and approved by the independent gaming test laboratory and operates and plays in accordance with the requirements specified in this Compact and its Appendices. Authorization to operate a slot machine requires that it operate and play in accordance with the requirements specified by this Compact and its Appendices, provided that while the failure of such slot machines to comply with such requirements will suffice as a grounds to enjoin or otherwise terminate said slot machines' operation, such non-compliance will not be deemed a violation of this Compact and its Appendices as long as the Commission has relied in good faith on the certification of the Class III Gaming Services Enterprise.

- (e) Ex parte communication. Neither party shall communicate with the independent gaming test laboratory regarding a substantive matter, whether in writing, by telephone or otherwise, concerning the approval of the slot machines without providing the other party with a reasonable opportunity to participate in or respond to such communication. The Commission and the Board shall ensure that copies of all written communications sent to or received from the independent gaming test laboratory are provided immediately to the other party.
- (f) Payment of independent gaming test laboratory fees. The Tribal gaming operation shall be responsible for securing the payment of all independent gaming test laboratory fees and costs in connection with the duties described in this Section. The Tribal gaming operation shall provide to the Commission and Board copies of all independent gaming test laboratory invoices and payments secured by the Tribal gaming operation, and either the Commission or Board shall have the right to audit such fees or cause an audit of such fees.
- (g) Independent gaming test laboratory duty of loyalty. The Commission shall inform the independent gaming test laboratory in writing that, irrespective of the source of its fees, the independent gaming test laboratory's duty of loyalty and reporting requirements run equally to the Commission and the Board.
- (h) Random inspections.
  - (1) By the Board. The Board may inspect or cause to be inspected one non-slot machine for each type of

game or activity specified in this Compact on a random basis twice per annum to confirm that it operates and plays in accordance with the requirements specified by Appendices A and B of this Compact. In any such inspection the Board may utilize the services of an independent gaming test laboratory, provided that it meets the criteria set forth in Subdivision (a) above. Notwithstanding the foregoing, the State may inspect or cause to be inspected any slot machine for cause. The Board shall bear the cost of any duplicate or random testing initiated at the request of the Board except for slot machines inspected or tested for cause.

- (2) By the Commission. Notwithstanding the foregoing, nothing shall preclude the Commission from inspecting or causing to be inspected any slot machine. The Tribal gaming operation shall be responsible for the cost of any duplicate or random testing conducted or initiated at the request of the Commission, except for inspections for cause.
- (i) EPROM standards. At least annually, procedures shall be performed to insure the integrity of a sample of slot machine game program EPROMs by personnel independent of the Tribal gaming operation and approved by the Commission and the Board in writing. Such personnel shall also be independent of the slot machine manufacturer.

§23. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**49. Slot machine accounting/auditing procedures standards**

- (a) Slot machine accounting/auditing procedures shall be in accordance with the approved System of Internal Controls and shall be performed by gaming facility employees who are independent of, and have no incompatible function with, the transactions under review.
- (b) Computerized player tracking systems. An authorized accounting department employee shall perform the following procedures at least one day per month:
  - (1) Foot all jackpot and fill slips and trace such

totals to those produced by the central monitoring system;

- (2) Review all slips written (from the restricted copy) for continuous sequencing;
  - (3) Foot all points-redeemed documentation and trace them to the central monitoring system-generated totals; and
  - (4) Review all points-redeemed documentation for propriety.
- (c) Computerized slot machine monitoring systems. Procedures shall be performed at least monthly to verify that the computerized system is transmitting and receiving data from the slot machines properly and to verify the continuing accuracy of the coin-in and cash-in meter readings as recorded in the slot machine statistical report.
- (d) Weigh scale interface systems. For at least one drop period per month authorized accounting department employees shall compare the weigh tape to the system-generated weigh, as recorded in the slot machine statistical report, in total. Discrepancies shall be immediately reported to the Commission and the Board, and shall be resolved prior to the generation/distribution of slot machine reports.
- (e) For each drop period, accounting department personnel shall compare the "coin-to-drop" meter reading to the actual drop amount. Discrepancies shall be immediately reported to the Commission and the Board, and shall be resolved prior to generation/distribution of slot machine statistical reports.
- (f) Follow-up shall be performed for any one slot machine having an unresolved variance between actual drop and coin-to-drop meter reading in excess of three (3) percent. The follow-up performed and results of the investigation shall be documented, maintained and reported to the Commission and the Board.
- (g) At least weekly, authorized accounting department employees shall compare the bill-in meter reading to the total currency acceptor drop amount for the week. Discrepancies shall be immediately reported to the Commission and the Board, and shall be resolved prior to

the generation/distribution of slot machine statistical reports.

- (h) Follow-up shall be performed for any slot machine having an unresolved variance between actual drop and bill-in meter reading in excess of three (3) percent. The follow-up performed and results of the investigation shall be documented, maintained and reported to the Commission and the Board.
- (i) At least annually, authorized accounting department personnel, accompanied by Commission and the Board personnel, shall randomly verify that EPROM changes are properly reflected in the slot machine analysis reports.
- (j) Authorized accounting department employees shall review exception reports for all computerized slot machine systems on a daily basis for propriety of transactions and unusual occurrences.
- (k) All slot machine auditing procedures and any follow-up performed shall be documented and maintained for inspection by the Commission and the Board.
- (l) Tribal gaming agency personnel, State gaming agency personnel, or their designees, shall have the authority to participate in or assist in the conduct of any audit conducted pursuant to the procedures established in this subsection.

§24. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**50. Accounting controls for slot booths and change machines**

- (a) The assets for which the slot cashiers are responsible shall be supplied from the main bank or master coin bank. Each slot cashier shall operate with an individual imprest inventory. At the end of each shift, the slot cashier assigned to the outgoing shift shall record on a slot cashiers' count sheet the face value of each slot booth inventory item counted and the total opening and closing slot booth inventories and shall reconcile the total closing inventory with the total opening inventory.
- (b) Signatures attesting to the accuracy of the information contained on the slot cashiers' count sheet shall be, at

a minimum, of the following cashiers after preparation of the slot cashiers' count sheet:

- (1) The cashier assigned to the outgoing shift; and
  - (2) The cashier assigned to the incoming shift.
- (c) At the end of each gaming day, at a minimum, a copy of the slot cashiers' count Sheets for the previous gaming day shall be forwarded to the accounting department for agreement of opening and closing inventories, agreement of amount thereon to other records and documents required by this regulation, and recording of transactions.
- (d) The slot booth inventory may be used to supply changepersons with an imprest inventory of coin, currency and slot tokens, provided that such inventory shall only be used to accept any combination of currency, coin, gaming chips, slot tokens, prize tokens or coupons presented by a patron in exchange for an equivalent amount of any combination of currency, coin or slot tokens. The slot booth inventory may also be used to provide a changeperson with coin, currency and slot tokens in exchange for an equal amount of any combination of coin, currency, coupons, prize tokens or gaming chips. The exchange of coupons shall be in accordance with the procedures approved in writing by the Commission and the Board. If a changeperson's inventory is obtain from a location other than a slot booth, the location and the procedures for the issuance and maintenance of the inventory shall be approved in writing by the Commission and the Board.
- (e) The slot booth inventory may be used to supply automated coupon redemption machines with an imprest inventory of coin or slot tokens.
- (f) Change machines shall be governed by the accounting and internal control procedures required by this section, which shall be submitted to the Commission and the Board for review and approval.
- (g) The slot booth inventory may be used to supply slot attendants with an imprest inventory of currency to be used in the exchange of currency and coupons presented by a patron.

§25. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and



Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**51. Slot machine theoretical and actual hold percentage evaluation**

- (a) Accurate and current theoretical hold worksheets shall be maintained for each slot machine.
- (b) For those slot machines or groups of identical slot machines with differences in theoretical payback percentage exceeding a four (4) percent spread between the minimum and maximum theoretical payback, an employee or department independent from the slot machine department shall perform a weighted average calculation to periodically adjust theoretical hold as follows:
  - (1) On a quarterly basis, record the meters or verify the automated meter recordation that contain the number of plays by wager (i.e., one coin or credit, two coins or credits, etc.);
  - (2) On an annual basis, calculate the theoretical hold percentage based on the distribution of plays by wager type;
  - (3) On an annual basis, adjust the slot machine(s) theoretical hold percentage in the slot machine statistical report to reflect this revised percentage;
  - (4) The adjusted theoretical hold percentage shall be within the spread between the minimum and maximum theoretical payback percentages.
- (c) For multi-game slot machines, an employee or department independent of the slot machine department shall:
  - (1) On a weekly basis, record or verify the automated meter recordation of the total cash-in meter;
  - (2) On a quarterly basis, record the cash-in meters for each game contained in the slot machine;
  - (3) On an annual basis, adjust the theoretical hold percentage to a weighted average based upon the ratio of cash-in for each game.
- (d) The adjusted theoretical hold percentage for multi-game

slot machines may be combined for slot machines with exactly the same game mix throughout the year.

- (e) The theoretical hold percentages used in the slot machine analysis reports shall be within the performance standards set by the manufacturer.
- (f) Records shall be maintained for each slot machine which indicate the dates and type of modification made and the recalculation of theoretical hold as a result of such modification.
- (g) Records shall be maintained for each slot machine which indicate the date the slot machine was placed into service, the date the slot machine was removed from operation, the date the slot machine was placed back into operation, and any change in slot machine numbers and/or designations.
- (h) Each slot machine shall contain functioning meters which shall record coin-in or credit-in.
- (i) Each slot machine with a currency acceptor shall contain a functioning bill-in meter which records the dollar amounts or number of bills accepted by denomination.
- (j) Slot machine in-meter readings shall be recorded at least weekly either immediately prior to or subsequent to a slot machine drop. However, the time between readings may extend beyond one week in order for a reading to coincide with the end of an accounting period only if such extension is no longer than six days and has been approved in writing by the Commission and the Board. In-meter readings shall be retained for at least five years.
- (k) The gaming facility employee who records the in-meter reading shall be independent of the hard count team.
- (l) Upon receipt of the meter reading summary, the accounting department shall review all meter readings for reasonableness using pre-established parameters as approved in writing by the Commission and the Board.
- (m) Prior to final preparation of statistical reports, meter readings which do not appear reasonable shall be reviewed with slot machine department employees, and exceptions documented, so that meters can be repaired or clerical errors in the recording of meter readings can be corrected.

- (n) A report shall be produced at least monthly reflecting month-to-date, year-to-date, and if required by the Commission and the Board, life-to-date actual hold percentage computations for individual slot machines and a comparison to each slot machine's theoretical hold percentage.
- (o) Each modification of a slot machine's theoretical hold percentage, including progressive percentage contributions, shall result in that slot machine being considered a new slot machine in the statistical reports (i.e., various hold percentages shall not be commingled).
- (p) If promotional payouts and awards are included on the slot machine statistical reports, they shall be reported in a manner that prevents distorting the actual hold percentages of the affected slot machines.
- (q) A report shall be produced at least monthly reflecting year-to-date combined slot machine performance, by denomination. The report shall include, at a minimum, the following for each denomination:
  - (1) Floor par;
  - (2) Combined actual hold percentage;
  - (3) Percentage variance; and
  - (4) Projected dollar variance (i.e., coin-in or cash-in multiplied by the percentage variance).
- (r) Statistical reports shall be reviewed by both slot machine department management and management employees independent of the slot machine department on at least a monthly basis.
- (s) Variances between theoretical hold and actual hold exceeding a threshold approved by the Commission and the Board in writing shall be immediately reported to and investigated by the Commission and the Board.
- (t) For purposes of analyzing the variances described in subsection (s) above, the Tribal gaming operation shall maintain floor par reports by slot machine type.
- (u) Maintenance of the computerized slot machine monitoring system data files shall be performed by a gaming facility department independent of the slot machine department.

- (v) Updates to the computerized slot machine monitoring system to reflect additions or deletions shall be made at least weekly prior to in-meter readings and the weigh process.
- (w) All reports required to be maintained or created by this section shall be forwarded to the Commission and the Board within twenty-four (24) hours of creation.

§26. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**52. Key control standards**

- (a) Currency acceptor key control standards.
  - (1) The physical custody of the keys needed for accessing stored full currency acceptor drop box contents shall be maintained by the Commission. Access to such keys shall require involvement of at least two persons, one of whom shall be a Commission employee.
  - (2) Only the employees authorized to remove the currency acceptor drop boxes shall be allowed access to the release keys. For situations that require access to the currency acceptor drop box at other than a scheduled drop time, the date, time, and signature and gaming license number of the employees in a key control log approved by the Commission and the Board, in writing, signing out/in the release keys shall be documented. The currency acceptor drop box release keys shall be separately keyed from the currency acceptor contents keys.
  - (3) The count team members may be permitted access to the release keys by an Commission inspector during the count, but only in order to reset the drop boxes when necessary.
  - (4) Employees authorized to remove the currency acceptor drop boxes shall be precluded from having access to drop box contents keys.
  - (5) A gaming facility employee independent of the slot machine department shall be required to accompany

currency acceptor drop box storage rack keys and shall observe each time drop boxes are removed from or placed in storage racks. The surveillance department shall be notified prior to the issuance of such keys and prior to the removal of any drop box.

- (6) Employees authorized to obtain drop box storage rack keys shall be precluded from having access to drop box contents keys with the exception of the count team members during a count.
- (7) Access to the currency acceptor contents key at other than scheduled count times shall require the involvement of at least three employees, at least one of whom shall be an employee of the Commission. The reason for access shall be documented on the approved key control log with the printed names, signatures and gaming license numbers of each of the participants and observers. Only the count team members shall be allowed access to drop box contents.
- (8) At least three count team members, one of whom shall be an employee of the Commission, shall be required to be present at the time currency acceptor count room keys and other count keys are issued for the count.
- (9) Duplicate keys shall be maintained by the Commission in accordance with the approved System of Internal Controls to ensure the same degree of control over duplicate drop box keys as is required for the original keys. Key duplication and destruction logs shall be maintained and provided to the Commission for each key duplicated which indicate the number of keys made and destroyed.

(b) Drop box doors.

- (1) The physical custody of the keys needed to access slot machine coin drop cabinets, including duplicates, shall be maintained by the Commission. Access to such keys shall require the involvement of two persons, one of whom shall be an employee of the Commission.
- (2) Two employees, one of whom shall be an employee of the Commission, shall be required to observe each

time slot machine drop cabinets are accessed. The surveillance department shall be notified prior to the issuance of such keys and prior to accessing any coin drop cabinet.

- (c) External doors. External door keys, the number of which shall be determined by the Commission, shall be permitted to be held and utilized only by those gaming facility employees whose job responsibilities require their access to non-secure internal compartments of the slot machine. Duplicate keys to external doors shall be maintained on premises by the Commission only in accordance with the approved System of Internal Controls.
- (d) Logic doors.
  - (1) The interior logic cage compartment of each slot machine shall each be secured by a key unlike any other access key for any slot machine or associated equipment. Each registered Class III gaming services enterprise shall provide to the Commission the original key and a duplicate needed to access the interior logic cage compartment for each slot machine.
  - (2) The physical custody of the keys needed to access slot machine logic doors, including duplicates, shall be maintained by the Commission. Access to such keys shall require the involvement of two persons, one of whom shall be an employee of the Commission. A log must be kept detailing each use of such key.
  - (3) Two employees, one of whom shall be an employee of the Commission, shall be required to observe each time slot machine logic doors are accessed. The surveillance department shall be notified prior to the issuance of such keys and prior to the opening of any logic door.

§27. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**53. Security seal standards and requirements.** The Commission and the Board shall seal the following components and secure areas with prenumbered security seals. The security seals, which shall be in a format approved in writing by the Commission and

the Board, shall be designed, constructed and installed to preclude their removal from, and prevent access to, such components and secured areas without tearing or otherwise illustrating evidence of tampering:

- (a) Logic doors and/or logic areas;
- (b) Logic boards;
- (c) EPROM's; and
- (d) Any other component or secure area identified in writing by the Commission and the Board.

§28. The Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York, Appendix B: Standards of Operation and Management for Class III Games of Chance is hereby amended by adding a new section to read as follows:

**54. Slot machine movement, storage and removal standards.**

- (a) The Tribal gaming operation shall provide a floor plan to the Commission and the Board indicating the precise initial location of each slot machine. The initial floor plan shall contain, at the minimum, the following information for each device:
  - (1) Location identification.
  - (2) If patron stool is present.
  - (3) If bill acceptor is present.
  - (4) Device denomination.
  - (5) Manufacturer.
  - (6) Device model number.
  - (7) Serial number of devices.
  - (8) Commission seal number, as applicable.
  - (9) EPROM chip number.
  - (10) Theoretical hold percentage.
  - (11) Type of device and description.

- (12) Device designated number.
- (b) Prior to relocating, adding or removing any slot machine from its initial location the Tribal gaming operation shall request and obtain the written approval from the Commission. Such requests shall be in writing and shall be requested no less than seventy-two (72) hours prior to the requested date of relocation, addition, or removal of a slot machine. Such requests shall include at the minimum:
- (1) A computer generated inventory listing each slot machine, its present location and its proposed location. Any request to add a slot machine shall be accompanied by a listing of the information required in subdivisions (a)(1) through (a)(12), above.
  - (2) Any written request shall be authored by the Tribal gaming operation employee directly responsible for slot machine(s) or his/her designee and shall include:
    - a. The date of request.
    - b. The proposed date of relocation, addition, or removal.
    - c. A written certification that all Tribal and/or State safety and egress codes are adhered to.
    - d. A written certification from the surveillance director or his/her designee that adequate closed circuit television coverage of each slot machine is present.
    - e. An updated floor plan, displaying all slot machine locations, each device location number, surveillance camera locations, and patron gaming stool locations.
- (c) When any slot machine is temporarily removed from the floor, slot machine drop contents shall be protected in accordance with the approved System of Internal Controls to preclude the misappropriation of stored funds.
- (d) When a slot machine is permanently removed from the gaming floor, the slot machine drop contents shall be counted and recorded by at least two employees, one of



whom shall be a Commission employee, with appropriate documentation being routed to the accounting department for proper recording and accounting.

(e) Prior to the removal of any slot machine from the gaming facility, prior written approval shall be obtained from the Commission in writing. Documentation providing the following shall be included for each removed device:

- (1) Manufacturer.
- (2) Device model number.
- (3) Serial number of device.
- (4) Commission's seal number, as applicable.
- (5) EPROM chip number.

Additionally, the copies of all bills of lading for the shipment of slot machines shall be filed with the Commission and the Board.

§29. Effective date. Pursuant to Chapter of the Laws of 2004, the New York State Legislature's ratification of the Tribal-State Compact between the St. Regis Mohawk Tribe and the State of New York as approved by the Tribe's Chiefs on June 9, 1993, and by the governor on October 15, 1993, and approved by the Department of the Interior by the Acting Assistant Secretary, Indian Affairs, on December 4, 1993, and published in the Federal Register on December 13, 1993, shall be deemed ratified, validated and confirmed nunc pro tunc and the amendment authorized pursuant to section one of that Act shall be deemed effective upon the governor's certification to the temporary president of the senate, the speaker of the assembly, and the secretary of state, that the amendment authorized pursuant to section one of the Act has been approved or deemed approved by the Secretary of the Interior.