



United States Department of the Interior



OFFICE OF THE SECRETARY
Washington, D.C. 20240

JUL 19 2002

Honorable Judy Martz
Governor of Montana
State Capital
Helena, Montana 59620

Dear Governor Martz:

On June 19, 2002, we received the Compact for Class III gaming between the Northern Cheyenne Tribe (Tribe) and the State of Montana (State). We have completed our review of this Amendment and conclude that it does not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of IGRA, we approve the Amendment. This Amendment shall take effect when the notice of our approval, pursuant to Section 11(d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

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

Sincerely,

Neal S. McCall
Assistant Secretary – Indian Affairs

Enclosure

Identical Letter Sent to: Honorable Geri Small
 President
 Northern Cheyenne Tribe
 P. O. Box 128
 Lame Deer, Montana 59043

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**AGREEMENT BETWEEN THE NORTHERN CHEYENNE TRIBE
AND THE STATE OF MONTANA CONCERNING CLASS III GAMING**

I. AUTHORITY

This Agreement is made by and between the Northern Cheyenne Tribe and the State of Montana, pursuant to Public Law 25 U.S.C. §§ 2107-2721, the Indian Gaming Regulatory Act ("IGRA"). The Tribe is authorized to enter into this Agreement by Resolution No. DOI 154 (2002) enacted on May 1, 2002. The State is authorized to enter into this Agreement by section 11(d)(3)(B) of the IGRA and the provisions of the State-Tribal Cooperative Agreements Act (Mont. Code Ann. §§ 18-11-101 to -111)

II. PURPOSE

The purpose of this Agreement is to define the respective jurisdictions of the Tribe and the State for regulation of Class III gaming as defined by the IGRA on the Northern Cheyenne Reservation.

III. DEFINITIONS

A. "Gaming." The term "gaming" means those gambling activities authorized under and conducted in accordance with this Agreement.

B. "Indian lands." The term "Indian lands" means any land within the Reservation now or hereafter owned in fee by, or held in trust by the United States for the benefit of, the Tribe or an Indian.

C. "Non-Indian lands." The term "non-Indian lands" means any land within the Reservation, which is not Indian lands.

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

E. "Regulate." The term "regulate" means the power to control through statute, ordinance, resolution, administrative rule, guideline or administrative procedure and to impose taxes, fees, assessments and penalties insofar as is consistent with the IGRA.

F. "Reservation." The term "reservation" means the Northern Cheyenne Reservation as established by Executive Orders of November 26, 1884, and March 19, 1900.

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

H. "Tribe." The term "Tribe" means the Northern Cheyenne Tribe, any agency, organization or subdivision of that Tribe, or any corporate entity in which such Tribe is the sole owner.

IV. JURISDICTION OF THE TRIBE AND STATE

A. The Tribe shall have jurisdiction, exclusive of the State and which may be concurrent with any jurisdiction of the United States, to regulate all gaming on Indian lands, all gaming by the Tribe or Indians on non-Indian lands. The Tribe agrees to limit gaming to gaming operations wholly-owned by the Tribe.

B. Because of the Reservation's present and historical demographic and land ownership patterns and the fact that the Tribe does not allow the sale of alcoholic beverages within the Reservation, the State does not seek authority to authorize gaming operations owned by non-Indians on non-Indian lands. On the conditions set forth in this paragraph, the State shall have jurisdiction concurrent with that of the United States to prosecute non-Indians for violation of this Agreement occurring on non-Indian lands. For purposes of such prosecution, the provisions of the gambling laws of the State of Montana are incorporated by reference. If such violation occurs, the Tribe promptly shall initiate civil enforcement action, or request federal criminal enforcement action, to eliminate the violation. If the federal government defers to the State, the State may criminally prosecute the non-Indian violators provided that the State shall ask the federal government to first confer with the Tribe.

V. PERMITTED GAMING

Subject to the jurisdictional authorities and the prohibitions and limitations set forth in Article IV, the following gaming may be conducted under this Agreement:

A. Video gambling machines when conducted in compliance with the provisions of Appendix A.

B. Simulcast racing when conducted in compliance with the provisions of Appendix B.

C. Calcutta pools when conducted in compliance with the provisions of Appendix C.

D. Fantasy sports leagues when conducted in compliance with the provisions of Appendix D.

E. Fishing derbies and betting on natural occurrences when conducted in compliance with the provisions of Appendix E.

F. Lotteries when conducted in compliance with the provisions of Appendix F.

G. Shake-a-day and shaking for music or drinks when conducted in compliance with the provisions of Appendix G.

H. Raffles when conducted in compliance with the provisions of Appendix H.

I. Live keno when conducted in compliance with the provisions of Appendix I.

J. Sports pools and sports tab games when conducted in compliance with the provisions of Appendix J, so long as not prohibited by applicable federal law on sports betting.

K. Live poker games when conducted in compliance with the provisions of Appendix K.

VI. GENERAL REGULATIONS

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

A. Persons under 18 years of age shall not participate in any gaming activity.

B. A person who is not physically present on the premises where the gaming activity is actually conducted may not be allowed to participate.

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

D. The Tribe shall make no more than one hundred (100) video gambling machines available for play in any tribally operated premises.

VII. BACKGROUND INVESTIGATIONS AND LICENSING
OF EMPLOYEES AND MANAGER

A. The Tribe, prior to placing a prospective employee whose responsibilities include the operation or management of gaming, shall obtain releases and then shall investigate the backgrounds of all potential employees. The Tribe shall conduct this background check and prepare a written report regarding each applicant within 30 days of receipt of the employment application.

B. The Tribe may employ any person whose prior financial or other activities or criminal record indicates that he or she:

1. does not pose a threat to the public interest;
2. does not pose a threat to the effective regulation and control of gaming;
3. does not create a danger of illegal practices, methods, or activities in the conduct of gaming or in the carrying on of the business and financial arrangements incidental to gaming;
4. has not been convicted of a felony offense within five years of the date of application or is on probation or parole or under deferred prosecution for committing a felony offense; or
5. is not receiving a substantial amount of financing for the proposed operation from an unsuitable source. A lender or other source of money or credit that is found to be unacceptable based upon the provisions of one, two, three or four above may be considered an unsuitable source.
6. The Tribe may deny employment to a person who has falsified an application. If the falsification is determined after the person has been employed, the Tribe may terminate the employment.

VIII. TRIBE MAY CONTRACT WITH STATE

The Tribe may contract with the State to certify and inspect video gambling machines by paying a fee for each machine, which does not exceed the actual cost incurred by the State for such inspections. The Tribe may contract with the State to conduct background and financial examinations of persons associated with any gaming operation allowed under this Agreement. State officials acting in this capacity shall act as subcontractors of the Tribe, and shall not be deemed to be acting on the State's behalf.

IX. DEFAULT AND TERMINATION

A. Default by Tribe. In the event of substantial and continuing failure by the Tribe in the performance of its

obligations under this Agreement, the State shall have the right, at its option, to terminate this Agreement, provided that the State shall have given the Tribe ninety (90) days written notice of such default and the Tribe shall have failed to cure such default within ninety (90) days after receipt of such written notice.

B. Default by State. In the event of substantial and continuing failure by the State in the performance of its obligations under this Agreement, the Tribe shall have the right, at its option, to terminate this Agreement, provided that the Tribe shall have given the State ninety (90) days written notice of such default and the State shall have failed to cure such default within ninety (90) days after receipt of such written notice.

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

D. Continuing Duty to Bargain. Upon termination of this Agreement for default or voluntarily, upon receipt of a request pursuant to Section 11(d) of the IGRA, the State will negotiate in good faith with the Tribe over the terms and conditions of a subsequent agreement.

X. MISCELLANEOUS TERMS

A. Effective Date and Term. This Agreement shall be effective upon execution, and shall continue in effect for a period of five years unless earlier terminated in accordance with Article IX. Before expiration of this Agreement or upon its termination, the parties may agree to the renewal of the Agreement for a term agreed upon by the parties.

B. Amendments. This Agreement may be amended only with the consent of both parties and only by written instrument signed by both parties. If the IGRA or state law is amended or changed in any way affecting the terms of this Agreement, the parties agree to negotiate in good faith to amend this agreement so as to achieve the objectives provided for and to ensure compliance with all applicable state and federal law, and, in the case of a change in law which would prohibit gaming authorized under this Agreement, the Tribe and the State shall engage in good faith negotiations to establish a reasonable period of time during which such gaming may continue in order to enable the Tribe and its investors (if any) to receive a reasonable return on investments made under this Agreement.

C. Negative Declaration. This Agreement has been entered into to satisfy the requirements of the IGRA. It is not intended to reflect or be viewed as reflecting in any other context either party's position with respect to the jurisdictional authority of the other. Nothing in this Agreement or in any conduct undertaken

pursuant thereto shall be deemed as enlarging or diminishing the jurisdictional authority of either party except to the extent necessary to implement and effectuate the Agreement's terms. Neither this Agreement nor conduct pursuant thereto shall be offered as evidence, otherwise referred to in any present or future litigation unrelated to the subject matter of the Agreement, or used to further either party's equitable or legal position in any litigation unrelated to the subject matter of the Agreement.

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

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

2. This Agreement shall be deemed amended to permit Additional Class III Games provided that they are conducted in conformity with the least restrictive terms and conditions applicable to them under the State law.

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

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

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

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

(i) if to the Tribe:

President
Northern Cheyenne Tribal Council
P.O. Box 128
Lame Deer, MT 59043

(ii) if to the State:

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

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


G. Reservation of Rights. Each party reserves all rights, arguments and defenses that are available to it under the law, and nothing in this Agreement shall be interpreted or construed as an express or implicit waiver of any right, argument or defense. The State agrees it will continue to negotiate in good faith in response to Tribal requests to negotiate for additional compact terms.

NORTHERN CHEYENNE TRIBE

STATE OF MONTANA



Geri Small, President
Northern Cheyenne Tribe




Judy Martz, Governor
State of Montana

Date 6/3/02


Date 5-20-02

Approved pursuant to Montana Code Annotated § 18-11-105 (2001).



MIKE McGRATH, Attorney General
State of Montana

DEPARTMENT OF THE INTERIOR

BY: 

NEAL McCALEB
Assistant Secretary
Bureau of Indian Affairs

Date: JUL 19 2002

APPENDIX A

VIDEO GAMBLING MACHINES

I. DEFINITIONS

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

A. "Bingo machine" means an electronic video gambling machine that, upon insertion of cash, is available to play bingo as provided in this Agreement. The machine utilizes a video display and microprocessor(s) in which, by chance, the player may receive cash or credits that may be redeemed for cash. The term does not include a slot machine. Electronic, computer or other technological aids to the Class II game of bingo, as defined by IGRA or Rules of the National Indian Gaming Commission (25 CFR Part 502), are not included in this definition or subject to the terms of this Agreement.

B. "Draw poker machine" means an electronic video gambling machine that, upon insertion of cash, is available to play or simulate the play of the game of draw poker as provided in this Agreement. The machine utilizes a video display and microprocessor(s) in which, by the skill of the player, by chance, or both, the player may receive cash or credits that may be redeemed for cash. The term does not include a slot machine.

C. "Keno machine" means an electronic video gambling machine that, upon insertion of cash, is available to play keno as provided in this Agreement. The machine utilizes a video display and microprocessor(s) in which, by chance, the player may receive cash or credits that may be redeemed for cash. The term does not include a slot machine.

D. "Video gambling machine" means a bingo machine, draw poker machine, or keno machine.

II. CONDITIONS

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

A. Prizes may be awarded only in the form of free games, credits, or cash. A prize may not exceed the value of \$1,500 for each individual award.

B. Video gambling machines within tribal premises may be connected in a progressive bank provided the prize limit for the progressive bank does not exceed \$1,500.

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

D. A video gambling machine authorized under this agreement shall be tested and approved by the State before placement on the Reservation. Any gambling device manufacturers or distributors providing, selling or otherwise placing gambling machines under this Agreement must be licensed by the State under Mont. Code Ann. § 23-5-625.

E. General Specifications of Video Gambling Machines. A video gambling machine and associated equipment must meet the following general specifications and be approved by the State for play in accordance with this Agreement.

(1) Each video gambling machine model or modification must:

(a) be inspected for approval and licensure. Any machine sold or operated may be inspected. Any approval granted to a person is not transferable. Immediate access must be allowed to each machine. Keys to allow access to a machine for purposes of inspection may be provided or must be immediately available on the premises. Machines for which a substantial modification or a series of minor modifications whose total result is substantial must meet all of the specific law or rule requirements in effect at the time of submission. Only those machines which are owned or operated and to which the submitted modification will be applied are required to meet those specifications in effect at time of submission. A determination that a modification is substantial may be contested;

(b) be operated by the players in the manner specified by this appendix;

(c) not have any switches, jumpers, wire posts, or other means of manipulation that could affect the operation or outcome of a game. The machine may not have any functions or parameters adjustable by and through any separate video display or input codes except for the adjustment of features that are wholly cosmetic or other operational parameters as approved. This is to include devices known as "knockoff switches;"

(d) offer only those games defined as video gambling in this Agreement and operate in the following manner:

(i) in the case of draw poker, after the initial cards have been dealt, the player may be allowed to raise his wager;

(ii) the game must display the combinations for which credits will be awarded and the number of credits awarded for each combination;

(iii) one credit may not exceed twenty-five cents in value;

(iv) the machine must have three (3) locks: one in the area containing the logic board and software for the game, one to the logic board and software itself, and the other to the area housing the cash, except that a separate cash compartment shall not be required for coins necessary to pay prizes in a machine which pays prizes through a drop hopper. EPROMS contained on the logic board must be readily accessible from the front of the machine.

(v) (A) the machines may have two mechanisms that accept coins, hereinafter referred to as "mechanism 1" and "mechanism 2." These mechanisms must have devices referred to as "lockouts" which prohibit the machine from accepting coins during periods when the machine is inoperable;

(B) the machine may have a machine manufacturer mechanism that accepts cash in the form of bills that do not exceed \$5;

(vi) in the case of poker each machine must use a color display with images of cards that closely resemble the standard poker playing cards;

(vii) the machine must:

(A) be monitored by a game transaction management/reporting system of the type described in paragraph (1) (d) (xi) (A); if the machine utilizes a coin drop hopper or

(B) be capable of printing a ticket voucher for all credits owed the player at the completion of each game, in which event a valid ticket must contain the following:

(1) the name of the licensed establishment;

(2) the name of the city, town, or county in which the establishment is located;

(3) the machine serial number;

(4) the time of day in hours and minutes in a 24-hour format;

(5) the current date;

(6) the program name and revision;

(7) the value of the prize in numbers;

(8) the value of the prize in words;

(9) the sequential number of the ticket voucher;

(viii) for both ticket voucher and cash drop machines, the printing mechanism must be located in a locked area of the

machine to insure the safekeeping of the audit copy. The logic board shall be mounted within the logic area so it is not visible upon opening the logic area door. The printing mechanism must have a paper sensing device that upon sensing a "low paper" condition will allow the machine to finish printing the ticket and prevent further play. The machine must recognize a printer power loss occurrence and cease play until power has been restored to the printer and the machine is capable of producing a valid ticket;

(ix) the machine must have nonresettable mechanical meters housed in a readily accessible locked machine area. The mechanical meters must be manufactured in such a way as to prevent access to the internal parts without destroying the meter. Meters must be hardwired (no quick connects will be allowed in the meter wiring system). A validating identification sticker attached to the mechanical meters to verify the meters are assigned to a specific licensed machine may be required. The meters must keep a permanent record of:

(A) total dollars accepted by the coin acceptor mechanism(s), and bill acceptor (if applicable);

(B) total dollars played;

(C) total dollars won;

(D) total dollars paid;

(x) the machine must contain electronic metering, using meters that record and display the following on the video screen

(A) total cents in mechanism(s) 1 and 2 (if applicable);

(B) total cents through the bill acceptor (if applicable);

(C) total cents, total cents played, total credits won, and total cents paid;

(D) total games played and total games won; and

(E) any other metering required by this appendix.

(xi) (A) if a machine is attached to and communicates electronically with a game transaction management/reporting system, it is not required to have a ticket printer. However, the game transaction management/reporting system must provide permanent sequential tracking, which permits monitoring of error conditions on a printed medium for future use, and which each day records the following information:

(1) the amount deposited in the machine through coin collectors and bill acceptors;

- (2) the amount paid out by the machine;
- (3) the amount of net revenue of the machine;
- (4) the serial number of the machine;
- (5) the time of day, in hours and minutes in a 24-hour format;
- (6) the current date;
- (7) the program name and revision number;
- (8) the number of times the cash compartment has been opened; and
- (9) the number of times the cabinet has been opened (if available).

(B) The term "error conditions" as used in this subparagraph includes:

- (1) open cabinet doors and cash compartment doors;
- (2) coin-in tilt and reverse coin-in tilt;
- (3) hopper empty, hopper jam, or hopper runaway/malfunction.

(C) if a machine is not attached to a game transaction management/reporting system, the machine must issue by activation of an external key switch, an accounting ticket containing a performance synopsis of the machine and progressive accounting data if applicable. The printing of all totals from the electronic meters shall occur automatically each time access occurs to either the logic compartment or any compartment where cash is collected. Whenever electronic meters are reset, each machine must produce a full accounting ticket both before and after each resetting. The tickets must contain the information required in subsections (1)(d)(xi)(A)(1) through (6) and (1)(d)(x)(A) through (D) of this subsection II. E.

(xii) the machine and any peripheral electronic device must have an identification tag permanently affixed to the machine by the manufacturer. The tag must be on the right-hand side, upper left corner of the machine or peripheral electronic device or in another approved location and must include the following information:

- (A) manufacturer;
- (B) serial number;
- (C) model;

(D) date of manufacture; and

(xiii) the face of the machine must be clearly labeled so as to inform the public that no person under the age of 18 years is allowed to play;

(xiv) no machine may offer for play more than one pay table per program;

(xv) each machine and peripheral electronic device must pass a static test;

(xvi) a machine shall be equipped with a surge protector that will feed all A.C. electrical current to the machine and a backup power supply capable of maintaining for a 30-day period the accuracy of all electronic meters, date, and time during power fluctuations and loss. The battery must be in a state of charge during normal operation of the machine. Manufacturers incorporating either the use of E2 proms or a lithium battery for memory retention will be considered to meet this requirement; and

(xvii) play of a game shall be activated by a button or lever.

(2) If the video gambling machines are connected to a centralized monitoring system, the system must have the same security features and capabilities as required for individual machines.

(3) Any and all modifications made to an approved video gambling machine must be submitted for approval prior to installation.

(4) Authorization to operate a machine may be suspended or revoked or approval of a machine may be revoked at any time if it is determined that a machine or machine component does not comply with a tribal ordinance or terms of a tribal-state compact governing video gambling machines in effect at the time of approval.

F. Safety Specifications. A video gambling machine must include the following hardware specifications:

(1) All electrical and mechanical parts and design principles shall follow acceptable industrial codes and standards in both design and manufacture.

(2) A video gambling machine shall be designed to ensure that the player will not be subjected to any physical, electrical, or mechanical hazards.

G. General Video Gaming Machine Software Specifications.

(1) Each video gambling machine must meet the following specifications:

(a) the random number selection process shall conform to an acceptable random order of occurrence and uniformity of distribution;

(b) the field of numbers must be mixed after each game by using a random number generator;

(c) after the field of numbers has been mixed and before the start of the game, the field of numbers is to be frozen with all numbers used for play taken in order from the top of the frozen field;

(d) any variable data, e.g., location name, shall not reside on EPROMs that contain game programs;

(e) must payback or award credits at a minimum rate of 80 percent;

(f) the game program must not interfere in any way with expected random play;

(g) all electronic meters must be 8 digits in length; and

(h) for any game played, the pay table for that game must be prominently displayed and understandable to the player.

(2) A machine may have a personality program that includes but is not limited to the following:

(a) paytable;

(b) graphics;

(c) deal;

(d) optional features to include but not be limited to:

(i) raise;

(ii) auto-bet;

(iii) hold and discard;

(e) personality program number.

H. Software Specifications For Video Draw Poker.

(1) Each video draw poker machine must meet the following specifications for approval. In order to be approved the machine must:

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

(b) deal the initial cards from the top of the frozen field;

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

(d) meter for each breakdown in the payable; and

(e) display the winning hands and the number of credits awarded for that hand.

I. Software Specifications For Video Keno Machines.

(1) Each video keno machine must meet the following specifications for approval. In order to be approved the machine must:

(a) display a fixed playing field of numbers from 1-80;

(b) only accept a bet on a minimum of two spots and a maximum of ten spots per game;

(c) display the balls picked;

(d) conform to standard rules of keno; and

(e) display the total number of player spots picked at the end of each game, display the number of balls drawn that matched the players' picks (this may be shown as 3 out of 8, 8 out of 10, etc.) and display any credits awarded for these combinations.

J. Software Specifications For Video Bingo Machines.

(1) Each video bingo machine must meet the following specifications for approval. In order to be approved the machine must:

(a) utilize a field of numbers from 1 to 75;

(b) provide a card or cards that contain 24 numbered spaces per card and one free spot. No cards may be identical;

(c) generate cards by utilizing a random number generator;

(d) meter each breakdown in the paytable;

(e) conform to standard rules of bingo;

(f) produce a bingo during each game;

(g) display the number of balls picked and the credits awarded for the number of balls drawn in order to obtain a bingo;

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

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

APPENDIX B

SIMULCAST RACING

I. DEFINITION

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

II. CONDITIONS

Simulcast racing regulated by the Tribe and the National Indian Gaming Commission must:

(A) be with a network approved by the Northern Cheyenne Gaming Commission to operate within the Northern Cheyenne Reservation; and

(B) not pay any state and local tax assessment but shall pay other standard fees charged by the network.

APPENDIX C

CALCUTTA POOLS

I. DEFINITION

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

II. CONDITIONS

A Calcutta pool regulated by the Tribe must comply with the following conditions:

(1) At least 50 percent of the total amount wagered on the pool must be paid out in prizes.

(2) A person may not wager on an elementary school or high school event.

(3) The rules of the Calcutta pool must be publicly posted.

(4) Proceeds from the pool minus administrative costs and prizes paid must be contributed to a charitable or nonprofit corporation, association, or cause.

APPENDIX D

FANTASY SPORTS LEAGUES

I. DEFINITIONS

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

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

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

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

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

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

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

II. FANTASY SPORTS LEAGUES DESCRIBED

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

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

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

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

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

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

(6) Rules governing the conduct of the fantasy sports league are provided in writing to each member.

III. LEAGUE RULES

Rules governing a fantasy sports league must include:

(1) name, address, and telephone number of the person or organization conducting the league;

(2) amount charged for entrance, administrative, and transaction fees;

(3) name of the professional sport and teams on which the league is based;

(4) length of the season that the league is to operate;

(5) size of a member's team roster;

(6) method used to select players;

(7) method for awarding points to a team based on the performance of individual players, teams or both during a designated period; and

(8) anticipated prizes to be awarded.

IV. RECORD KEEPING REQUIREMENTS

An organization or individual conducting a fantasy sports league shall retain the following records for one year after the league winners are determined:

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

V. RESTRICTIONS

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

APPENDIX E

FISHING DERBIES AND BETTING ON NATURAL OCCURRENCES

I. DEFINITIONS

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

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

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

II. CONDITIONS

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

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

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

APPENDIX F

LOTTERIES

I. DEFINITIONS

"**LOTTERY GAMES.**" The term "LOTTERY GAMES" means any procedure, including any on-line or other procedure using a machine or electronic device, by which one or more prizes are randomly distributed among persons who have paid for a chance to win a prize but does not include any game in which a player competes against or plays with any other person.

II. CONDITIONS

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

A. such games are authorized by the Montana Lottery subject to the provisions of Mont. Code Ann. §§ 23-7-101 to -412,

B. such games are conducted and operated by the Tribe in a manner which provides security at least as stringent as the Montana Lottery.

APPENDIX G

SHAKE-A-DAY AND SHAKING FOR MUSIC OR A DRINK

I. DEFINITIONS

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

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

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

II. CONDITIONS

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

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

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

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

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

APPENDIX H

RAFFLES

I. DEFINITION

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

II. CONDITIONS

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

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

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

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

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

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

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

- (i) the cost and number of raffle tickets to be sold;

(ii) the charitable purposes the proceeds of the raffle are intended to benefit; and

(iii) the proposed prizes and their value.

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

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

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

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

(b) selection by any other process if:

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

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

APPENDIX I

LIVE KENO

I. DEFINITION

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

II. CONDITIONS

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

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

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

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

(4) Except as provided in subsection (6):

(a) the price for an individual keno card may not exceed 50 cents;

(b) a prize may not exceed the value of \$1,000 for each individual keno card; and

(c) it is unlawful to, in any manner, combine any awards so as to increase the ultimate value of the award.

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

(6) Variations of the game of keno, as authorized in section III, in which a player selects three or more numbers and places a wager on various combinations of these numbers is permissible if:

(a) no more than 50 cents is wagered on each combination of numbers; and

(b) a winning combination does not pay more than \$1,000.

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

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

III. AUTHORIZED VARIATIONS OF LIVE KENO

(1) Authorized variations of live keno are:

(a) a straight ticket in which a player picks from one to ten numbers and wagers that the numbers will be duplicated entirely or in part from the group of numbers drawn.

(b) a split ticket consisting of two or more straight tickets written on a single keno card. Each group on a split ticket is treated as if it were a single straight ticket.

(c) a way ticket in which a player selects three or more equal groups of numbers which when taken at least two groups at a time comprise several straight ticket combinations.

(d) a combination way ticket in which a player simultaneously combines any or all of the variations described in subsections (a), (b), and (c).

(e) a king ticket in which a single number, commonly known as a king number, is matched with each group of numbers selected. The king number is treated as any circled number group as used in way and combination way tickets.

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

(3) A player shall clearly identify and separate on his keno card any group of numbers selected for a split, way, combination way, or king ticket by drawing:

(a) a line between or circle around each group for a split ticket; or

(b) a circle around each group for a way, combination way, or king ticket.

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

APPENDIX J

SPORTS POOLS AND SPORTS TAB GAMES

I. DEFINITIONS

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

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

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

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

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

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

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

II. DESIGN AND CONDUCT OF SPORTS TAB GAME

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

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

(3) Before the sale of any sports tabs in a sports tab game, the sponsor shall describe the game by prominently displaying the following information on the sports tab card or on a board to which the card is attached:

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

(4) After sale of the sports tabs begins, the sponsor:

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

III. PURCHASE AND SALE OF SPORTS TABS BY SPONSOR

(1) A sponsor may purchase a sports tab card only from a manufacturer licensed by the State or the manufacturer's authorized agent. The sports tab card must contain a sports tab decal.

(2) The total cost of each sports tab on the same sports tab card must be identical and may not exceed \$5. A participant shall pay cash for the sports tab at the time the tab is selected.

IV. PRIZES

(1) "Cost of the sports tabs" means an amount that is equal to the amount paid by a participant for a single sports tab multiplied by 100.

(2) If a prize is awarded for scores attained at a predetermined interval during a sports event, the value of the prize awarded at the interval may not exceed the value of the prize awarded for the score at the end of the event.

(3) Except as provided in subsection (6), a sponsor shall pay to the winners of a sports tab game at least 90 percent of the cost of the sports tabs. The sponsor may retain up to 10 percent of the cost of the sports tabs.

(4) The total value of all prizes awarded in a sports pool may not exceed \$500. Prizes must be in cash or merchandise.

(5) If merchandise is awarded, the purchase price paid for the merchandise is considered to be the value of the prize. Except as provided in subsection (6), if the value of the merchandise is less than 90 percent of the cost of the sports tabs the difference must be awarded to the winners in cash.

(6) A sponsor who is a nonprofit organization may retain up to 50 percent of the cost of the sports tabs.

(7) All prizes must be available for distribution to winners immediately at the end of the sports event.

V. SPONSOR RECORDKEEPING REQUIREMENTS

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

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

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

VI. USE OF SPORTS TABS RESTRICTED

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

VII. AUTHORIZED SPORTS POOLS

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

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

(3) The following sports pools are authorized:

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

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

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

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

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

(d) a "selected point sports pool" in which the winner is the participant whose assigned competitor is the first to attain a final score that matches a predetermined number (e.g. 28, 39). If in a given week none of the competitor's score match the predetermined number, the prize is carried over to the next and subsequent weeks until a match occurs. However, the pool must be

designed to ensure that a prize does not exceed the value of \$500. The number of participants in a selected point sports pool is limited to the number of competitors in an established league. Competitors are randomly assigned to the participants and may be assigned for a single week or the duration of the pool.

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

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

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

VIII. SPORTS POOL CARD

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

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

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

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

(d) Each competitor in the sports event must be assigned to either the horizontal or vertical axis of the master square before the beginning of each sports event.

(2) A sports pool card used to conduct an authorized sports pool must be of adequate size to be easily read by participants and observers.

(3) The sports pool card shall, in advance of any sale of any chance, clearly indicate:

(a) rules for conducting the sports pool;

(b) name of the sports event or series of events covered by the card;

(c) name of the competitors in the sports event or series of events, if known;

(d) date of the sports event or dates of the series of sports events;

(e) total number of chances available in the pool;

(f) cost to the participant for each chance;

(g) total amount to be paid to each winner;

(h) intervals that a pay-out will be made and the amount of each pay-out;

(i) name of the person conducting the sports pool;

(j) name or initials of participants who have purchased chances in the pool;

(k) amount or value of each individual prize and the total value of all prizes; and

(l) name of the competitors and the date of a sports event that will be substituted for the original sports event if it is cancelled.

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

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

IX. SALE OF CHANCES

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

(2) If the actual number of sports events conducted as part of a series of events is less than the number of events for which chances were sold, the sponsor shall refund to each participant the money paid for chances on those events that were not conducted.

(3) After sale of the chances begins, the person conducting the sports pool:

(a) may not cancel the sports pool or alter it in any manner; and

(b) shall award all prizes at the end of the sports event or series of events

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

X. DETERMINATION OF WINNERS--PRIZES

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

(2) The prizes awarded to the winner or winners of a sports pool may be cash or merchandise but must not exceed a total value of \$500 per sports event.

(a) Where the prize awarded is merchandise, the purchase price paid for the item(s) of the merchandise prize is considered to be the value of the prize. Proof of the purchase price of the item(s) of the merchandise prize shall be retained for a period of 30 days from the event.

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

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

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

APPENDIX K

LIVE POKER

I. DEFINITION

Live poker" means a card game played by at least two players who bet against each other and settle with each other and not against the house. One dealer on a card table deals poker. A player bets on the card (hand) the player holds. There may be an initial ante round and/or blind bet by the players. After the players receive their starting card, there are one or more betting rounds. After all the dealing of cards and betting has occurred for a pot and there are two or more players still in contention, there is a showdown based on a maximum of five cards.

The object of the game is for a player to win the pot either by making a bet no other player is willing to match or by having the best hand as described in the rules of the Montana Gambling Control Division or any successor agency.

II. CONDITIONS

Live poker gaming shall be conducted under the same conditions as permissible under Montana statutes and administrative regulations; provided, however, the prize for an individual live poker game may not exceed \$1000; and the Council shall not be subject to the licensing provisions of state law.

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