

RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION

- WHEREAS,** the White Mountain Apache Tribe pursuant to a Tribal-State Compact executed between the Tribe and the State of Arizona on June 24, 1993 is authorized to operate a maximum of 900 gaming devices and two live keno games amongst three gaming facilities within the exterior boundaries of the Fort Apache Indian Reservation; and
- WHEREAS,** the Tribe may also conduct Class II gaming operations as defined by and pursuant to the National Indian Gaming Act; and
- WHEREAS,** the Tribe is in need of consultant in respect to the development of a gaming enterprise on the Reservation, including but not limited to consultation regarding the design of the exterior and interior of a gaming casino, procurement and placement of gaming devised, development of policies and procedures including the internal control and accounting procedures, marketing, establishment of Class II poker tables and keno games, planning for lighting, security systems and all equipment necessary to operate a gaming casino including the training of necessary key and primary management personnel to operate said casino; and
- WHEREAS,** Michael J. Lauf has represented to the White Mountain Apache Tribe that based upon his experience as a licensed casino owner in Nevada that he possesses the necessary experience and qualifications to act as a consultant to the Tribe in the development of gaming facilities on the Reservation and all aspects of gaming casino operations as that term is generally used in the gaming industry; and
- WHEREAS,** preliminary inquiries of Mr. Lauf's background and qualifications indicates no negative information that would prohibit him being a consultant pursuant to the tribal gaming ordinance and Tribal-State Compact; and
- WHEREAS,** a criminal history background check has also been initiated by the Whiteriver Police Department; and
- WHEREAS,** the Tribal Council concludes that Mr. Lauf possesses the necessary experience and qualifications to be a gaming consultant for the White Mountain Apache Tribe in accordance with the proposed agreement attached and incorporated by reference herein and that the Tribal Chairman be authorized to sign said consulting agreement for the purposes set forth therein.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby approves the consulting agreement with Michael J. Lauf in the form and content attached hereto.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes the Tribal Chairman, and in his absence, the Vice Chairman, and any other necessary tribal official to sign the consulting agreement on behalf of the White Mountain Apache Tribe for the purposes set forth therein.

The foregoing resolution was on September 09, 1993, duly adopted by a vote of five for and four against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (i) of the Amended Constitution and Bylaws of the Tribe, ratified by the Tribe June 27, 1958, and approved by the Secretary of the Interior on May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).

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SEP 17 1993

FORT APACHE INDIAN AGENCY
WHITERIVER, ARIZONA



Chairman of the Tribal Council



Secretary of the Tribal Council

CONSULTANT AGREEMENT

Between

THE WHITE MOUNTAIN APACHE TRIBE

and

MICHEAL J. LAUF

This Consultant Agreement made between the White Mountain Apache Tribe (hereinafter "Tribe") and Micheal J. Lauf (hereinafter "Consultant") is entered into this ____ day of _____, 1993 for the purposes set forth herein.

WHEREAS, the White Mountain Apache Tribe pursuant to a Tribal-State Compact executed between the Tribe and the State of Arizona on June 24, 1993 is authorized to operate a maximum of 900 gaming devices and two live keno games amongst three gaming facilities within the exterior boundaries of the Fort Apache Indian Reservation; and

WHEREAS, the Tribe may also conduct Class II gaming operations as defined by and pursuant to the National Indian Gaming Act; and

WHEREAS, the Tribe is in need of consultant in respect to the development of a gaming enterprise on the Reservation, including but not limited to consultation regarding the design of the exterior and interior of a gaming casino, procurement and placement of gaming devices, development of policies and procedures including the internal control and accounting procedures, marketing, establishment of Class II poker tables and keno games, planning for lighting, security systems and all equipment necessary to operate a gaming casino including the training of necessary key and primary management personnel to operate said casino; and

WHEREAS, Consultant has represented to the White Mountain Apache Tribe that based upon his prior experience as a licensed casino owner in Nevada that he possesses the necessary experience and qualifications to act as a consultant to the Tribe in the development of gaming facilities on the Reservation and all aspects of gaming casino operations as that term is generally used in the gaming industry; and

WHEREAS, Consultant and the Tribe, based upon the mutual covenants and conditions set forth in this Consultant Agreement, wish to enter into an agreement for the procurement of said consulting services by the Tribe.

THEREFORE, IT IS HEREBY AGREED between the Tribe and Consultant as follows:

A. **Consultant Duties**

1. Consultant shall provide on-site advice and planning for the development of a gaming facility at the Fort Apache Indian Reservation, initially at the Hon Dah site and

subsequently at the Sunrise Park Hotel. Consultant shall advise the Tribe regarding necessary modifications to the facility for conversion to a gaming facility and shall negotiate for same in consultation with the Tribal Gaming Task Force, including but not limited to the procurement of all electrical, mechanical, carpentry and other services and trades necessary to convert the Hon Dah site and any other site to a gaming facility.

2. Consultant will negotiate the procurement of gaming devices for the facility and shall recruit a Gaming Operation Manager Trainee, a Gaming Device Manager, Cage Manager, a Class II Poker Trainer, Keno Trainer for the gaming operation in consultation with the Tribal Gaming Task Force.

a. The Gaming Manager Trainee or Slot Manager shall take the place of Consultant when Consultant is absent.

3. Consultant will be on site or devote to the gaming operation at least 48 hours per week.

4. Consultant will train a tribal member to be Assistant Manager of the facility with the goal in mind of imparting to the Assistant Manager sufficient information, knowledge and training in the area of gaming operations so that the Assistant Manager is capable and qualified to manage and operate a Tribal Gaming Casino.

5. Consultant will coordinate with the Tribal Gaming Office for the licensing of all gaming employee applicants and will cooperate with the Tribal Gaming Office on the implementation of Tribal gaming regulations.

6. Consultant will be responsible for assisting in developing and implementing a marketing and promotion plan for the gaming enterprise at Hon Dah in order to ensure the maximum of potential of the enterprise.

7. Consultant will make such decisions as to the substitution or replacement of the slot machines and the addition or deletion of table games in such a way as to maximize performance and profitability of the gaming devices.

8. In consultation with the Gaming Task Force, Consultant will develop a line-item budget for all aspects of the gaming operation.

9. Consultant shall assist Tribe in developing and implementing a security system and internal operation controls in conformity with the Tribal-State Compact and Tribal Gaming Ordinance.

B. Term of Agreement and Salary

1. Tribe agrees to pay Consultant the sum of One Hundred Ten Thousand Dollars (\$110,000) annually for services rendered by Consultant. Consultant shall be paid these fees on a biweekly basis prorated over 26 pay periods equaling \$4,230.77 per payment with no advances.

2. Consultant is not a Tribal employee, but is an independent contractor and no partnership, joint venture or sharing of profits is created by this Consultant Agreement.

3. Consultant shall be responsible for his own federal and state withholding taxes, FICA and workman's compensation and any health benefits. If required or applicable, consultant will provide proof of workman's compensation coverage.

4. Consultant may be absent from the gaming facility operation for up to one week per annum and as negotiated further with the Gaming Task Force for exigent reasons.

4. This Agreement shall be for a term of two (2) years unless terminated earlier by either party without cause by providing sixty (60) days written notice to the other party.

C. Background Investigation

1. In the event that Consultant cannot obtain temporary license certification from the State of Arizona or if a background investigation indicates any unsuitability to work in the tribal gaming operation as a consultant based upon requirements of the Tribal-State Compact, state certification procedures, National Indian Gaming Act requirements or a finding of unsuitability by the Tribal Gaming Office, this Agreement shall automatically terminate. This Agreement may be restored by the Tribe if the Tribal Gaming Office, or State Gaming Office is able to establish that Consultant is suitable to be involved in the tribal gaming operation as a consultant.

D. Hiring of Gaming Employees

1. Consultant shall recommend to the Tribal Gaming Task Force those tribal gaming employee applicants that are eligible and suitable for hire. Employment of qualified tribal members will be made to the extent possible.

2. Consultant shall be authorized to recommend the discharge or termination of any employee to the Tribal Gaming Task Force.

E. Good Faith Performance

1. Consultant agrees to perform all services under this Agreement in good faith and to conduct himself as a consultant on site in such a way as to enhance the best interests of the White Mountain Apache Tribe.

2. Consultant agrees to coordinate his efforts with the Tribal Gaming Task Force/Tribal Gaming Committee prior to the recruitment and hiring of an Assistant Gaming Operation Manager, a Slot Manager, a Cage Operation Manager, a Poker and Keno Trainer and shall train tribal members in each of the foregoing categories to take over those responsibilities in accordance with a schedule to be agreed upon by the Tribal Gaming Committee and Consultant.

3. Consultant by his signature affixed below hereby represents that he has never been arrested for a felony or convicted of a felony or been denied a gaming license in any jurisdiction and that he satisfies all requirements of the National Indian Gaming Act in respect to suitability of primary management officials or key employees as that term is used in the Act and is otherwise suitable and qualified under the Tribal Gaming Office and Tribal-State Compact to enter into this Agreement as a consultant.

F. Dispute Resolution

1. Any disputes arising out of this Agreement shall be resolved, if possible, by mutual agreement of the parties. However, in the event that litigation is necessary to resolve any disputes between the parties, the White Mountain Apache Tribal Court shall have jurisdiction over any claims by Consultant against the Tribe arising out of this Agreement.

MICHEAL J. LAUF, Consultant

For and on behalf of the
White Mountain Apache Tribe:

By: _____
Ronnie Lupe, Chairman
White Mountain Apache Tribe

APPROVED:

Superintendent
Fort Apache Agency