

LICENSING AGREEMENT

THIS AGREEMENT made effective this 9 day of March, 2007.

BETWEEN:

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY,

(hereinafter referred to as "SLGA")

AND

INDIGENOUS GAMING REGULATORS INC.

(hereinafter referred to as "IGR")

WHEREAS it is the position of the Federation of Saskatchewan Indian Nations (hereinafter referred to as the "FSIN") and its members, without it being the intention of the Government of Saskatchewan (hereinafter referred as the "Government") or SLGA, to in any way confirm such position by this Agreement, that they enjoy an existing inherent right to self-government confirmed by the six treaties in Saskatchewan, and have the necessary authority to enact laws on matters of concern to their First Nations in Saskatchewan based on an exercise of that right, including in relation to gaming;

AND WHEREAS Paragraph 207(1)(b) of the *Criminal Code* provides that the Lieutenant Governor in Council of the Province may specify a licensing authority to permit charitable or religious organizations to conduct and manage Lottery Schemes in that Province, if the proceeds from the Lottery Scheme are used for a charitable or religious object or purpose;

AND WHEREAS by the Framework Agreement between the Government and the FSIN, dated June 11, 2002 (hereinafter referred to as the "Framework Agreement"), a consensual and orderly process for a First Nations entity to license charitable Lottery Schemes on Reserve, consistent with the requirements of the *Criminal Code*, was agreed to;

AND WHEREAS the Framework Agreement contemplated that IGR, formerly Saskatchewan Indian Gaming Licensing Inc., would be an entity specified pursuant to paragraph 207(1)(b) of the *Criminal Code* and pursuant to Band Council Resolutions, as an exclusive authority authorized to issue licences to charitable and religious organizations to conduct and manage charitable Lottery Schemes on Designated Reserves in Saskatchewan, including all Licensed Games offered for play at casinos operated by the Saskatchewan Indian Gaming Authority (hereinafter referred to as "SIGA");

AND WHEREAS by the Regulatory Agreement between IGR and SLGA, dated June 11, 2002 (hereinafter referred to as the "2002 Regulatory Agreement"), it was agreed that the parties would negotiate a licensing and regulatory agreement with respect to charitable Lottery Schemes;

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AND WHEREAS it is the desire of IGR and SLGA to ensure that the licensing and regulation of charitable Lottery Schemes within the Province be performed in a consistent manner, as envisioned by the Gaming Agreement and the Regulatory Agreement;

AND WHEREAS the Framework Agreement and the 2002 Regulatory Agreement make reference to the capacity of IGR being developed to undertake various functions involved in the licensing and regulation of charitable Lottery Schemes conducted on Reserve within the Province;

AND WHEREAS it is the desire of the IGR and SLGA to outline in this Agreement the process under which IGR will assume licensing and regulatory authority over charitable Lottery Schemes on Designated Reserves;

AND WHEREAS through the budget process provided for in the 2002 Regulatory Agreement and provided for in the Casino Operating Agreement between SLGA and the Saskatchewan Indian Gaming Authority (SIGA), dated June 11, 2002, provision has been made for the payment of IGR's Annual Operating Budget.

THEREFORE, the Parties agree as follows:

ARTICLE 1: INTERPRETATION

1.01 In this Agreement:

"Charitable Gaming" means:

- (a) Bingo, Breakopens, Raffles, Texas Hold'em Poker Tournaments and Monte Carlo Events;
- (b) Licensed Games offered for play at all SIGA Casinos on Reserve; and
- (c) any other charitable Lottery Schemes as agreed to by IGR and SLGA from time to time;

"Charitable Gaming Licence" means a licence issued by IGR to conduct and manage Charitable Gaming on Reserve pursuant to paragraph 207(1)(b) of the *Criminal Code* and this Agreement;

"Community" means Reserves as set out in Appendix "I" as they existed at the execution of this Agreement. In instances where a Reserve consists of more than one parcel of land, Community refers only to that parcel upon which the bingo event was carried on at the date of the execution of this Agreement;

"Designated Reserve" means a Reserve with respect to which IGR has the authority to issue a Charitable Gaming Licence;

"Effective Date" means the effective date of IGR's authority to issue Charitable Gaming Licences as set out in Article 3 of this Agreement;

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“First Nation” means a tribe of Indians that is a signatory to the FSIN Convention Act or an Indian Band that is located in Saskatchewan;

“Indian Band” means a “band” as defined in the *Indian Act*;

“IGR” means Indigenous Gaming Regulators Inc.;

“Licensed Games” means table games which may be licensed pursuant to paragraph 207(1)(b) of the *Criminal Code* and this Agreement. Dice games and table games that are, in whole or in part, operated on or through a computer, video device or slot machine, are not licensable under paragraph 207(1)(b);

“Licensee” means the holder of a Charitable Gaming Licence as issued by IGR;

“Lottery Scheme” means a lottery scheme within the meaning of section 207 of the *Criminal Code*;

“Net Income” means the funds remaining after the payment of prizes to players;

“Net Proceeds” means the funds left for charitable use after the payment of prizes to players and all expenses authorized by IGR;

“Registrant” means any person required to be registered as a “registrant” pursuant to *The Alcohol and Gaming Regulation Act, 1997*;

“Regulatory Agreement” means the Agreement dated June 11, 2002 as entered into between SIGL and SLGA;

“Reserve” or **“Reserves”** means a “reserve” as defined in the *Indian Act*, R.S.C. 1985, c. I-5 as amended from time to time and which are located in Saskatchewan;

“Saskatchewan Liquor and Gaming Authority” or **“SLGA”** means the Liquor and Gaming Authority established pursuant to *The Alcohol and Gaming Regulation Act, 1997*;

“SIGA” means the Saskatchewan Indian Gaming Authority Inc.;

“SIGL” means Saskatchewan Indian Gaming Licensing Inc., being the predecessor to IGR.

1.02 The Parties agree that for the purposes of this Agreement any computerized form of bingo including but not limited to bingo using ‘link’ or ‘satellite’ systems or handheld devices is a computerized form of gaming that, in accordance with paragraph 207 (1)(a) and 207(4)(c) of the *Criminal Code*, must be under the conduct and management of the Province, and is not licensable by IGR;

1.03 SLGA agrees that where any computerized form of gaming in accordance with paragraphs 207 (1)(a) and 207 (4)(c) of the *Criminal Code* is made available to licensees

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of SLGA, such gaming shall be made available to Licensees of IGR on the same terms and conditions as they are made available to Licensees of SLGA. In the event that this Agreement is terminated, any arrangements with respect to such computerized forms of gaming shall also terminate.

ARTICLE 2: FIRST NATION DELEGATION

- 2.01 IGR represents that various First Nations in the Province of Saskatchewan have specified by appropriate resolution or enactment IGR as the body which will have the authority to issue licences to charitable or religious organizations to conduct and manage Charitable Gaming on Designated Reserves in accordance with the *Criminal Code* and this Agreement.
- 2.02 First Nations' delegation of authority to IGR shall be evidenced and effected by way of Band Council Resolution.

ARTICLE 3: AUTHORITY TO ISSUE CHARITABLE GAMING LICENCES

- 3.01 SLGA shall recommend to the Lieutenant Governor in Council that IGR be specified pursuant to paragraph 207(1) (b) of the *Criminal Code* as the exclusive authority authorized to issue Charitable Gaming Licences to charitable or religious organizations to conduct and manage Charitable Gaming on Designated Reserves along with Licensed Games offered for play at all SIGA casinos located on Reserve. Such recommendation shall be made within the time frame specified in subsection 3.02(d) of the Regulatory Agreement.

ARTICLE 4: EFFECTIVE DATE OF LICENSING AUTHORITY

- 4.01 IGR shall be authorized to issue Charitable Gaming Licences to conduct and manage Licensed Games offered for play at all SIGA Casinos located on Reserve upon the Lieutenant Governor in Council specifying, by Order in Council, IGR pursuant to paragraph 207(1) (b) of the *Criminal Code* as the exclusive authority authorized to issue such licences. Such Orders in Council shall be made concurrently or within the same Order in Council as referenced in subsection 4.02 (b).
- 4.02 IGR shall be authorized to issue Charitable Gaming Licences to charitable or religious organizations to conduct and manage Charitable Gaming on Designated Reserves in accordance with the *Criminal Code* and this Agreement, effective upon the following having occurred:
- (a) IGR having been designated as the First Nation Gaming Licensing Authority by way of Band Council Resolution as the body having the exclusive authority to issue licences to charitable or religious organizations to conduct and manage Charitable Lotteries on Designated Reserves; and

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- (b) the Lieutenant Governor in Council, by Order in Council, specifies IGR pursuant to paragraph 207 (1)(b) of the *Criminal Code* as the exclusive authority authorized to issue licences to charitable or religious organizations to conduct and manage Charitable Gaming on Designated Reserves in accordance with the *Criminal Code* and this Agreement.
- 4.03 Copies of all Orders in Council issued by the Lieutenant Governor in Council pursuant to the provisions of sections 4.01 and 4.02 or any amendments made in relation thereto shall be provided by SLGA to IGR immediately upon their issuance.
- 4.04 IGR shall provide SLGA with a list of all Designated Reserves on which IGR's licensing and regulatory authority will have application and IGR shall, within 5 business days, notify SLGA of any changes to this list, whether through addition or deletion of a Designated Reserve.
- 4.05 IGR and SLGA acknowledge that at the Effective Date, there may be SLGA licences issued to First Nations charitable or religious organizations to conduct and manage charitable gaming on Designated Reserves. To facilitate the change in licensing authority, SLGA agrees to notify IGR of such licences and, wherever practical, to amend the terms of such licences so that the licences expire within 90 days of the 'Effective Date'. Where the nature of the licence does not make this practical, SLGA and IGR shall either agree on an alternate expiry date or the licence shall continue until its original expiry date.

ARTICLE 5: LOCATION OF GAMING ACTIVITIES

- 5.01 (a) The Parties agree, as a general rule, that the determination of whether the gaming activities of a charitable or religious organization should be licensed by IGR or by SLGA will be made with reference to:
- (i) with respect to bingos, where the bingo event is held;
 - (ii) with respect to breakopen tickets, where the breakopen tickets are sold;
 - (iii) with respect to media bingos, the location of the organization's primary administrative operations and where the bingo calling occurs;
 - (iv) with respect to raffles, the location of the organization's primary administrative operations and where the raffle draw is held.
- (b) A charitable or religious organization with a raffle or media bingo licence from either IGR or SLGA may sell raffle tickets or media bingo paper, respectively, province-wide.

ARTICLE 6: REGULATION OF GAMING ACTIVITIES

Licensing

- 6.01 All Charitable Gaming Licences issued by IGR shall be issued, regulated and controlled in accordance with the *Criminal Code* and this Agreement, including the relevant appendices, and any amendments made from time to time.

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- 6.02 IGR shall be responsible for the licensing and regulation of Charitable Gaming conducted and managed by Licensees on Designated Reserves.
- 6.03 IGR shall monitor and enforce compliance with the terms and conditions of Charitable Gaming Licences issued by IGR and shall ensure that the Net Proceeds raised by Charitable Gaming licensed by IGR shall be used for charitable or religious objects or purposes.
- 6.04 Every Charitable Gaming Licence issued by IGR shall:
- (a) be issued in the name of the applicant, and in the case of table games licences, shall be issued separately for each SIGA venue;
 - (b) provide that the Charitable Gaming Licence is not transferable;
 - (c) provide that the Charitable Gaming Licence is the property of IGR and if a Charitable Gaming Licence is cancelled or suspended, the Licensee shall return it to IGR immediately; and
 - (d) become effective on the date stated in the Charitable Gaming Licence or, if no effective date is stated, on the date of its issuance.

Terms and Conditions on Charitable Gaming Licences

- 6.05 Every Charitable Gaming Licence issued by IGR shall be subject to all terms and conditions specific to that Licence.
- 6.06 No holder of a Charitable Gaming Licence shall fail to comply with any terms and conditions specific to that Licence.
- 6.07 Any Charitable Gaming Licence issued by IGR which is not issued in accordance with the *Criminal Code* and this Agreement, the terms and conditions and policies set out in Appendices "A" through "G" or any amendments made in relation thereto shall be void.
- 6.08 Where IGR specifies terms and conditions on a Charitable Gaming Licence that are unsatisfactory to the applicant, the applicant may within fifteen (15) days after being notified of IGR's decision, apply for a hearing in accordance with the procedures referenced in Article 11.

Immediate Suspensions

- 6.09 IGR may immediately suspend a Charitable Gaming Licence for a period not exceeding seven (7) days without giving notice to the Licensee, where it considers the immediate suspension to be necessary in the public interest.

- 6.10 A suspension made pursuant to section 6.09 takes effect immediately on being served on the Licensee.
- 6.11 Where IGR issues a suspension of a licence pursuant to section 6.09, IGR shall serve on the licensee a copy of the order of suspension and a notice fixing a time and place for an oral hearing by the appeal body referenced in Article 11. The appeal body will determine whether the suspension should be extended or whether the licence should be cancelled. The time fixed for the oral hearing in the notice is to be prior to the expiration of the order of suspension.

Licence Suspensions and Cancellations

- 6.12 Where IGR proposes to suspend or cancel a Charitable Gaming Licence, it shall give notice in writing to the Licensee of the action it intends to take.
- 6.13 A Licensee who receives a notice pursuant to section 6.12 may apply within fifteen (15) days after being served with the notice for a review by the appeal body referenced in Article 11.
- 6.14 Where IGR has given notice to the Licensee in accordance with section 6.12 and the Licensee does not apply for a review pursuant to section 6.13, IGR may suspend or cancel the licence in accordance with the terms of the notice.
- 6.15 Where IGR has given notice to the Licensee in accordance with section 6.12 and the Licensee applies for a review pursuant to section 6.13, the appeal body may continue the licence in effect until the appeal body makes a decision and notifies the Licensee of that decision.
- 6.16 Where a Charitable Gaming Licence has been cancelled pursuant to section 6.14 or by the appeal body on review:
- (a) no further Charitable Gaming Licence shall be issued for a period of at least one (1) year to the Licensee; and
 - (b) if another Charitable Gaming Licence is issued to the Licensee following the one (1) year period and such License is subsequently cancelled, then no further Charitable Gaming Licenses shall be issued to the Licensee for a minimum period of five (5) years following the date of cancellation.
- 6.17 No review shall be available to a Licensee whose Charitable Gaming Licence has been cancelled as a result of a First Nation having revoked its designation of IGR pursuant to Article 18.

Application for Licence Refused

- 6.18 Where IGR refuses an application for a Charitable Gaming Licence, it shall provide to the applicant notice in writing of the denial and the reasons therefore.
- 6.19 An applicant who receives notice pursuant to section 6.18 may within fifteen (15) days after being notified of IGR's decision, apply for a review of the decision in accordance with the procedures as referenced in Article 11.

ARTICLE 7: TABLE GAMES AT SIGA CASINOS

- 7.01 The Parties acknowledge that the SIGA slot operations and table games operations together comprise the SIGA casino operations. IGR agrees that upon SLGA communicating in writing to IGR that SLGA has determined that SIGA is in breach of the Casino Operating Agreement and has suspended or terminated the operation of the slot machines in the SIGA casinos, IGR will suspend or terminate the table games licences issued to SIGA, and will not reissue table games licences to SIGA without the agreement of SLGA or the lawful direction of the Liquor and Gaming Licensing Commission or a Court of competent jurisdiction.
- 7.02 In the event that IGR is proposing to suspend or cancel any table games licence issued to SIGA and serves notice on SIGA as provided for in Article 6 hereof, IGR shall also immediately provide SLGA with a copy of said notice. Similarly, if SLGA provides SIGA with notice of default pursuant to the Casino Operating Agreement, SLGA shall immediately provide IGR with a copy of the notice.
- 7.03 IGR and SLGA agree that the processes set out in Appendix "H" apply to their roles with respect to table games within SIGA casinos on Reserve.

ARTICLE 8: TRAINING AND MENTORING

- 8.01 SLGA agrees that in addition to the regulation of table games provided for in this agreement, that SLGA is committed to discussions regarding opportunities for training and mentoring of IGR staff in the regulation of other areas of casino operation that are linked to the operation of table games.
- 8.02 SLGA agrees to provide IGR with such training and mentoring as is agreed to by the parties as a result of further discussions. The parties agree that such discussions shall commence at the request of IGR, but no sooner than six months after the effective date of the Order in Council provided for in subsection 4.02(b) hereof.
- 8.03 As stated in the Regulatory Agreement, SLGA and IGR may agree, in future, to IGR performing other gaming related functions.

ARTICLE 9: LICENSING FEES

9.01 IGR shall be entitled to fix and retain all application and licensing fees associated with the issuance of Charitable Gaming Licences. Such fees shall be applied to the operating costs of IGR.

ARTICLE 10: CONFLICT OF INTEREST – EMPLOYEES, OFFICERS AND DIRECTORS

10.01 IGR shall not:

- (a) act as a Registrant;
- (b) conduct or manage, operate, or participate in any Lottery Scheme;
- (c) become a shareholder or member in any corporation or organization to which a Charitable Gaming Licence is issued or which operates, conducts, or manages a Lottery Scheme;
- (d) appoint persons to act as officers or directors of a corporation or organization mentioned in clause (c);
- (e) enter into agreements or arrangements with a corporation or organization mentioned in clause (c).

10.02 IGR shall require that no employee, officer or director of IGR shall:

- (a) act as a Registrant other than as a gaming regulator;
- (b) participate in any gaming activity in Saskatchewan licensed by IGR. Participating in a gaming activity includes, but is not limited to: playing games such as bingo, table games at SIGA casinos, buying and selling raffle or breakopen tickets, or working at a bingo as a volunteer;
- (c) participate in slot machine gaming at SIGA casinos;
- (d) be an owner, either directly or indirectly, or be employed by any business or undertaking that is associated with:
 - i. the Saskatchewan Indian Gaming Authority;
 - ii. a Registrant other than a gaming regulator;
 - iii. a Licensee of IGR; or
 - iv. the supply of gaming or non-gaming supplies or services to IGR Licensees.

10.03 IGR shall implement policies to ensure that its employees, officers and directors abide by the provisions in Section 10.02, and take appropriate action in the event of a breach of said policies.

ARTICLE 11: APPEALS

- 11.01 Appeals of IGR's licensing and regulatory decisions shall be governed by the appeal processes as established pursuant to Section 10.6 of the Framework Agreement which provides that the Government and the FSIN shall develop an appeal body specifically mandated to hear appeals from IGR's licensing and regulatory decisions, provided that until such time as the said appeal body has been established, any appeals initiated by an applicant or a Licensee pursuant to the provisions of subsections 6.08, 6.11, 6.13, and 6.19 hereof and shall be heard by the Liquor and Gaming Licensing Commission as established pursuant to the provisions of *The Alcohol and Gaming Regulation Act, 1997*.
- 11.02 The Parties agree that neither will oppose a request by the other to appear before and participate in a hearing by the Liquor and Gaming Licensing Commission with respect to a licensing or regulatory decision of the other Party.

ARTICLE 12: CHARITABLE GAMING MARKET

- 12.01 The Parties acknowledge that decisions regarding the issuance of Charitable Gaming Licences as they relate to bingo must be made with due regard to related market conditions.
- 12.02 The Parties agree that IGR may licence charitable or religious organizations to conduct and manage bingo at the frequency and in the Community set out in Appendix "I" to this Agreement, which are bingos operational as of March 31, 2004, provided that a bingo licence is applied for within six months, and issued by IGR for that Community and at that frequency within one year of the Effective Date. The Parties also agree that if any of the bingo operations in Appendix "I" should cease operations, IGR may license another charity for the conduct and management of bingos at the same frequency and in the same community.
- 12.03 The Parties agree that pending an agreement between the FSIN and the Province on market expansion of bingo gaming and subject to section 12.02, that IGR will not, without mutual agreement between SLGA and IGR, issue Charitable Gaming Licences for bingo.
- 12.04 The Parties agree that no provision in this agreement either precludes or endorses First Nation operation of bingo on an urban reserve provided it is mutually agreed to by IGR and SLGA.
- 12.05 The Parties acknowledge that SLGA does not allow a bingo hall to be physically connected to a casino due to the competitive advantage that this could provide over other halls. IGR agrees that it will not issue a licence for a charitable or religious organization to operate in a facility physically connected to a casino without the prior consent of SLGA.
- 12.06 The Parties acknowledge that SLGA does not currently licence charitable or religious organizations to offer scratch-and-win and lotto 6-49 style lotteries. One of the
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considerations for this practice is the Government of Saskatchewan's agreement with the Western Canada Lottery Corporation respecting these types of lotteries. The Parties agree to continue discussions on the possibility of licensing charitable or religious organizations to offer scratch-and-win and lotto 6-49 style lotteries at some future date. In the absence of a further agreement between SLGA and IGR, IGR agrees not to issue licences for this type of gaming or any other form of gaming that is similar to the lotteries conducted by the Western Canada Lottery Corporation.

ARTICLE 13: AUDIT

- 13.01 IGR shall have an audited Financial Statement of its activities prepared on an annual basis. The audited Financial Statements shall be provided to First Nations and SLGA within one hundred twenty (120) days of the close of IGR's fiscal year end. The Financial Statements shall be prepared in accordance with generally accepted accounting principles.
- 13.02 The audit shall be performed by a qualified, independent auditor who is either a Chartered Accountant, Certified Management Accountant, or Certified General Accountant, in good standing, and shall be prepared and conducted in accordance with generally accepted auditing standards.
- 13.03 IGR shall maintain a standardized system of records for all financial matters and all financial records shall be maintained by IGR for a minimum period of six (6) years.
- 13.04 IGR shall require its external auditor to examine the books and records of IGR on an annual basis and prepare a report stating, in the auditor's opinion:
- (a) the monies received by IGR have been fully accounted for and properly disposed of, and the rules and procedures applied are sufficient to ensure an effective check on the receipt and allocation of the monies received by IGR; and
 - (b) the money expended was for the licensing and regulation of Charitable Gaming on Reserve as provided for in the Agreement, including the management and administration of IGR as required to support the licensing and regulatory activities
- 13.05 IGR shall provide SLGA with a copy of the report prepared pursuant to section 13.04 within one hundred twenty (120) days of the close of IGR's fiscal year end.

ARTICLE 14: STANDING COMMITTEE AND PROCESS FOR AMENDMENTS TO TERMS AND CONDITIONS AND POLICIES

- 14.01 The Parties agree to establish a Standing Committee on Charitable Gaming which shall consist of two representatives appointed by SLGA and two representatives appointed by IGR. The Committee shall meet no less than two (2) times per year at such place and times as may be agreed upon by members of the Committee and others may attend as agreed to by the representatives.

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- 14.02 The principal role of the Standing Committee shall be to facilitate and co-ordinate communications between the Parties in respect to Charitable Gaming in Saskatchewan. In particular, the Standing Committee shall be the forum to consider:
- (a) operational assessments in accordance with the Regulatory Agreement;
 - (b) policy issues;
 - (c) education, training and mentoring initiatives;
 - (d) sanction and enforcement issues;
 - (e) any potential amendments to the terms, conditions or policies of SLGA as they relate to Charitable Gaming conducted in Saskatchewan or any of the terms, conditions and policies as set out in Appendices "A" through "G" attached hereto; and
 - (f) any issues involving the interpretation or application of this Agreement.
- 14.03 Any proposal to amend either the terms, conditions or policies of SLGA as they relate to Charitable Gaming conducted in Saskatchewan or any of the terms and conditions or policies as set out in Appendices "A" through "G" attached hereto shall be referred to the Standing Committee for their review and discussion.
- 14.04 Prior to finalizing any proposed changes to the terms, conditions or policies of SLGA as they relate to Charitable Gaming conducted in Saskatchewan or the terms, conditions, or policies set out in the Appendices "A" through "G" attached hereto, SLGA will provide notice to IGR and the Parties may engage in a meaningful consultation process as determined by the nature of those changes. As far as is reasonably possible, consultation on and off-reserve will be done consistently. IGR may consult independently from SLGA. Further, any proposed amendments brought forward by either Party shall be consistent with the following principles:
- (i) any amendments presented shall be structured so as to ensure that licensed Charitable Gaming in Saskatchewan, both on and off Reserve, is licensed and regulated in a consistent manner without conferring competitive advantage to either, while taking into account any special circumstances that may exist on Reserve; and
 - (ii) any amendments presented shall be structured so that the licensing or regulatory duties conferred upon IGR under the terms of this Agreement are not abrogated or derogated unless the analogous licensing or regulatory duties of SLGA are similarly abrogated or derogated.
- 14.05 Prior to making a decision regarding any amendment, SLGA shall carefully weigh the results of the consultations with First Nations and the Standing Committee. Upon SLGA deciding to proceed with the adoption of the proposed amendments it shall provide to IGR at least fifteen (15) days' written notice of its intention to proceed with adoption of the

proposed amendments. Upon adoption, copies of all amendments shall be provided to IGR for their records. Thereafter, all licences issued by IGR and SLGA shall be subject to the revised terms, conditions and policies, as amended.

ARTICLE 15: INFORMATION SHARING

- 15.01 The Parties agree to share information that will assist each other in the discharge of their duties pursuant to paragraph 207(1)(b) of the *Criminal Code* and this Agreement including, without restricting the generality of the foregoing, the following:
- (a) any information concerning applications received by the Parties, charitable or religious organizations licensed by each of the respective Parties, or any other information or documentation as may be requested by one Party to the other in order to effectively discharge their licensing and regulatory responsibilities; and
 - (b) policies and/or documentation as developed by the Parties regarding their licensing and regulatory operations.
- 15.02 Should any legislative or regulatory amendments be required to allow for the sharing and exchange of information as between the Parties, SLGA agrees to recommend to the Lieutenant Governor in Council such legislative or regulatory amendments as may be required from time to time.
- 15.03 SLGA and IGR acknowledge, agree and consent to the disclosure of this Agreement as a matter of public record. However, SLGA and IGR acknowledge and agree that information provided by either of them to the other pursuant to or in connection with this Agreement may include personal, commercial or financial information, supplied in confidence by third parties. Accordingly, except as may be required by *The Freedom of Information and Protection of Privacy Act*, all such information shall be kept confidential by the parties and appropriately secured and shall only be made available to such of a Party's employees and agents as are required to have access to the same in order to perform the licensing and regulatory functions covered by this agreement. In so far as personal information is concerned, the personal information will only be retained for as long as necessary to fulfill the purpose for which it was shared.
- 15.04 IGR shall advise SLGA, in writing, of the suspension or cancellation of a charitable gaming licence, including the name of the charitable or religious organization and the basis for the action taken, within five working days of the suspension or cancellation being issued, in order to ensure the integrity of gaming in the province.
- 15.05 IGR shall provide a report to SLGA, on an annual basis, by May 15th of each year, in the form attached as Appendix "J".
- 15.06 IGR shall provide, upon SLGA's request in writing, such information as SLGA may consider necessary regarding the charitable gaming operations of any Licensee in the

event that SLGA has reason to believe that there has been a breach of the terms and conditions of the Licensing Agreement.

- 15.07 IGR agrees that, with respect to Charitable Gaming Licenses issued by IGR, IGR shall permit access to records in its possession in a manner similar to and reflecting the principles of freedom of information and protection of privacy set out in *The Freedom of Information and Protection of Privacy Act* with which SLGA is required to comply.

ARTICLE 16: COOPERATION OF THE PARTIES

- 16.01 The Parties agree to use their best efforts to cooperate with one another in the performance of their respective licensing and regulatory obligations and shall conduct themselves at all times in the utmost of good faith in attempting to resolve any outstanding disputes that may arise between them involving the interpretation or application of this Agreement, including any matters referred to but not resolved at the Standing Committee level.
- 16.02 In cases where a dispute has been referred to, but not resolved by the Standing Committee, the Parties will each designate one senior representative to meet to determine if the dispute can be resolved.
- 16.03 If discussions at the Standing Committee and subsequent meeting of senior representatives have not resulted in a resolution of the dispute as it relates to the interpretation or application of any provisions of this Agreement (excluding the appendices and Article 12), either Party may, by written notice to the other Party, refer the dispute to mediation in accordance with the process identified in sections 16.04 through 16.10. Mediation shall only proceed with the agreement of both parties. Otherwise, the provisions of Article 17 apply.
- 16.04 A mediation under this Part shall be conducted by a mediator agreed to by the Parties.
- 16.05 The mediator shall be independent of each Party.
- 16.06 Both Parties shall attend the mediation at the time and place arranged by the mediator. Each Party shall be represented at the mediation by any person(s) with the background, authority and position appropriate to effectively mediate the dispute. Each Party may also be represented by legal counsel at the mediation.
- 16.07 In the event the Parties are unable to resolve the dispute through mediation, the mediator shall provide non-binding written recommendations to the Parties within fourteen (14) days of the last mediation session unless the Parties agree to extend this time.
- 16.08 Each of the Parties agree that it will give substantial weight and due regard to the recommendations of the mediator, however, if resolution cannot be achieved, the Parties shall be entitled to enforce their rights under this Agreement and to seek resolution of such dispute in accordance with any remedies and recourses available to either of them at law.

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- 16.09 The mediation shall be without prejudice and confidential. Except with the written consent of the mediator and each of the Parties, or in an action to enforce a settlement obtained at mediation, the following types of evidence shall not be admissible before any arbitrator or court:
- (a) evidence arising from anything said in the course of the mediation;
 - (b) evidence of anything said in the course of mediation; or
 - (c) evidence of an admission or communication made in the course of a mediation.
- 16.10 The Parties agree that they will conduct themselves at all times with utmost good faith in attempting to resolve any outstanding disputes. The Parties further agree that, notwithstanding that any attempt to mediate a resolution is on a completely without prejudice basis, evidence of bad faith in regard to the mediation process may be led in any subsequent proceeding for such purpose as may be relevant to the issue of damages or costs occasioned by failure to mediate in good faith.
- 16.11 The cost of the mediator shall, in the absence of agreement between the Parties to the contrary, be borne equally between the Parties.
- 16.12 Notwithstanding any of the provisions contained herein, the Parties may by mutual agreement agree to submit to mediation any other issue or matter in dispute as between them.

ARTICLE 17: DEFAULT AND TERMINATION

- 17.01 Subject to the provisions of Article 16, this Agreement may be terminated in the following manner in the specified circumstances:
- (a) By IGR, in the event SLGA shall fail to perform or observe any term, covenant or agreement contained in this Agreement, and such failure remains unremedied for a period of thirty (30) days after notice thereof has been given by IGR to SLGA to cure such default, or such longer period as may be reasonably regarded as necessary to remedy such failure, provided that SLGA has commenced within a reasonable period of time and in good faith the remedying of such failure within the said thirty (30) day time period, and thereafter prosecutes to completion with diligence and continuity the remedying thereof;
 - (b) By SLGA, in the event IGR shall fail to perform or observe any term, covenant or agreement contained in this Agreement, and such failure remains unremedied for a period of thirty (30) days after notice thereof has been given by SLGA to IGR to cure such default, or such longer period as may be reasonably regarded as necessary to remedy such failure, provided that IGR has commenced within a reasonable period of time and in good faith the remedying of such failure within the said thirty

(30) day time period, and thereafter prosecutes to completion with diligence and continuity the remedying thereof;

- (c) at any time by mutual agreement between the Parties; or
- (d) by either Party upon provision of the required notice in the event First Nations acquire jurisdiction over the licensing and regulation of Charitable Gaming on Reserve as referenced in section 20.01 hereof.

17.02 In the event this Agreement is terminated, the licensing arrangement established by this Agreement shall terminate and IGR agrees to cease issuing Charitable Gaming Licences pursuant to this Agreement. Further, SLGA may recommend that the Lieutenant Governor in Council rescind the Orders in Council referred to in section 4.01 and subsection 4.02(b) of this Agreement.

17.03 Nothing in this Agreement shall prevent a Party from pursuing any remedies available to them in a court of law as a result of termination of this Agreement.

ARTICLE 18: REVOCATION OF FIRST NATION DESIGNATION

18.01 IGR shall notify SLGA within five (5) business days of being notified in writing by a First Nation of that First Nation's intention to revoke or terminate its designation of IGR as the body having the exclusive authority to issue licences to charitable or religious organizations located on its Reserve to conduct and manage Charitable Gaming and provide a copy of such notice to SLGA. IGR's obligations under this Agreement with respect to that First Nation shall be terminated upon the effective date of the First Nation's termination or revocation of the delegation as confirmed by the Band Council Resolution (the Revocation Date).

18.02 IGR shall not issue new Charitable Gaming Licences for any Lottery Schemes that will not be concluded by the Revocation Date.

18.03 IGR shall provide SLGA with the details of any Charitable Gaming Licence already issued for a lottery scheme that will not be concluded by the Revocation Date.

18.04 SLGA shall take such action as is necessary to revoke the authority of IGR made pursuant to the Order in Council under paragraph 207(1)(b) of the *Criminal Code* with respect to Designated Reserves of a First Nation that has revoked IGR's authority.

ARTICLE 19: PERIODIC REVIEW OF IGR OPERATIONS

19.01 After the conclusion of three (3) years following the date of initial delegation and every five (5) years thereafter, a review shall be undertaken of IGR's licensing and regulatory operations, unless otherwise agreed by the Parties.

- 19.02 The review shall be conducted by an independent third party as mutually agreed upon by IGR and SLGA.
- 19.03 Upon completion, a copy of the findings of the review shall be forwarded to IGR and SLGA.
- 19.04 Where the review identifies any deficiencies in IGR's operations, IGR shall undertake to remedy the deficiencies as soon as reasonably possible following completion of the review.
- 19.05 The processes as outlined in this section shall be in addition to any assessment processes that may be prescribed under the Regulatory Agreement.

ARTICLE 20: FIRST NATIONS JURISDICTION

- 20.01 Either Party shall be entitled to terminate this Agreement by providing not less than One Hundred and Eighty (180) days written notice to the other or such other period of notice as may be mutually agreed upon between the Parties upon the exercise of First Nations jurisdiction pursuant to the initiatives contemplated under Part 2 of the Framework Agreement to license Charitable Gaming on Reserves either through enactment of applicable federal legislation or by amendment to the *Criminal Code* or otherwise, or through final determination by a court of competent jurisdiction.

ARTICLE 21: ACKNOWLEDGEMENTS

- 21.01 The Parties acknowledge and agree that nothing in this Agreement, including the agreement as to the applicability of any particular law, or the implementation of this Agreement is intended to:
- (a) confirm, deny, expand or limit any existing Aboriginal or Treaty Rights or jurisdiction of any First Nations; or
 - (b) confirm, deny, expand or limit the jurisdiction of the Province of Saskatchewan or the Government of Canada; or
 - (c) be used as an interpretive aid or be used or admitted in evidence in a court of law or other tribunal to determine such rights or jurisdiction or the extent thereof.

ARTICLE 22: GENERAL

- 22.01 IGR shall not engage in any other business, trade or activity, either directly or indirectly, that conflicts with its obligations specified in this Agreement.
- 22.02 The following addresses of the Parties shall serve as the appropriate address for service of any notice contemplated under this Agreement or otherwise and shall be deemed to have
- March 2007*

been received the day following posting of such notice or other documentation, as the case may be:

(a) SLGA:
SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
P.O. BOX 5054
2500 VICTORIA AVE
REGINA SK S4P 3M3
Attention: President and CEO

(b) IGR:
INDIGENOUS GAMING REGULATORS INC.
400 – 203 PACKHAM AVENUE
SASKATOON, SASKATCHEWAN
S7N 4K5
Attention: President and CEO

- 22.03 All notices required by this Agreement shall be given in writing.
- 22.04 If any provision of this Agreement is determined to be invalid, illegal or unenforceable as written, such provision shall be enforced to the maximum extent permitted by applicable law, or if a court determines that any provisions of this Agreement is wholly invalid, unenforceable or ineffective, such provision shall be severed from the Agreement and the remainder of the Agreement shall remain in full force and effect.
- 22.05 The provisions of this Agreement, excluding the appendices attached hereto, may be amended from time to time by mutual agreement of the Parties, provided that all such amendments shall be executed with the same formality as this Agreement. The appendices may be amended as provided in Article 14 hereof.
- 22.06 The failure by either Party to enforce at any time, whether in a single incident or repeatedly, any of the provisions of this Agreement shall not be construed as a waiver of such provision or a waiver of the right of the Party thereafter to enforce each and every such provision. Further, no express waiver of any provision or performance hereunder or of any default by either Party shall be construed as a waiver of any other provision or future performance or default.
- 22.07 All references contained in this Agreement to any legislative enactments shall include any such Statutes as may be amended, re-enacted or replaced from time to time and, in respect of any defined term derived from such Statutes, includes any subsequent definition contained in any Statutes enacted in substitution thereof, or in modification thereof.
- 22.08 This Agreement shall not be assigned by IGR without Band Council Resolutions and an Order in Council consenting to the assignment.

March 2007

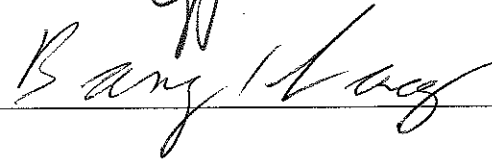
22.09 This Agreement shall enure to the benefit of and be binding upon the successors and permitted assigns of each Party hereto.

22.10 Strictly for the purposes of this Agreement, the Parties agree that each Party irrevocably and unconditionally submits to the jurisdiction of the courts of Saskatchewan and all courts competent to hear appeals therefrom.

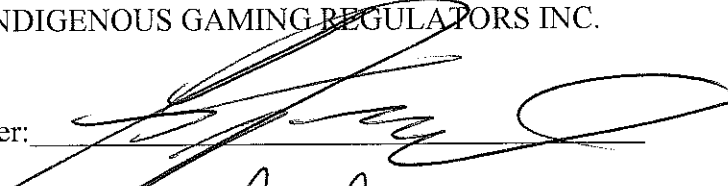
IN WITNESS WHEREOF the Parties have duly executed this Agreement as attested to by the hands of their proper signing authorities on their behalf, effective the day and year first above written.

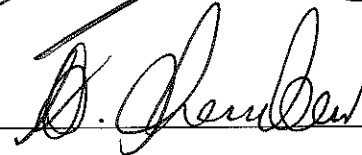
SASKATCHEWAN LIQUOR AND GAMING AUTHORITY

Per: 

Per: 

INDIGENOUS GAMING REGULATORS INC.

Per: 

Per: 

APPENDICES AND SCHEDULES to LICENSING AGREEMENT

Appendix "A"	Terms and Conditions for Charitable Gaming Licensees to Conduct and Manage Bingo Lotteries								
Appendix "B"	Terms and Conditions for Charitable Gaming Licensees to Conduct and Manage Breakopen Ticket Lotteries								
Appendix "C"	Terms and Conditions for Charitable Gaming Licensees to Conduct and Manage Raffle Lotteries								
Appendix "D"	Terms and Conditions for Saskatchewan Indian Gaming Authority (SIGA) Table Games								
Appendix "E"	Terms and Conditions for Charitable Gaming Licensees to Conduct and Manage Texas Hold'em Poker Tournaments								
Appendix "F"	Terms and Conditions for Charitable Gaming Licensees to Conduct and Manage Monte Carlo Charity Events								
Appendix "G"	Policies <table> <tr> <td>Schedule 1</td> <td>IGR Gaming General Administrative</td> </tr> <tr> <td>Schedule 2</td> <td>IGR Charitable Gaming Eligibility</td> </tr> <tr> <td>Schedule 3</td> <td>IGR Charitable Gaming Use of Proceeds</td> </tr> <tr> <td>Schedule 4</td> <td>IGR Charitable Gaming Raffle</td> </tr> </table>	Schedule 1	IGR Gaming General Administrative	Schedule 2	IGR Charitable Gaming Eligibility	Schedule 3	IGR Charitable Gaming Use of Proceeds	Schedule 4	IGR Charitable Gaming Raffle
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Appendix "H"	Table Games Regulatory Process: Responsibilities of IGR and SLGA <table> <tr> <td>Schedule 1</td> <td>Table Games Evaluation Procedure</td> </tr> <tr> <td>Schedule 2</td> <td>Table Games Inspection Sheets</td> </tr> </table>	Schedule 1	Table Games Evaluation Procedure	Schedule 2	Table Games Inspection Sheets				
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Appendix "I"	Bingo Operations								
Appendix "J"	Reporting								