

APPENDIX N

Operational Standards and Regulations Governing Credit

Arizona Tribal-State Gaming Compact

I. **LINES OF CREDIT.** The Gaming Facility Operator may extend credit directly, or through a Gaming Vendor, to qualified patrons in accordance with the provisions set forth in the Compact, this Appendix, and applicable federal law. In addition, the Tribal Gaming Office, or the Gaming Facility Operator as approved by the Tribal Gaming Office, shall establish, and the Gaming Facility Operator shall comply with, any other rules, standards, and/or policies applicable to the extension of credit.

A. **Credit Policy.**

- (1) If the Gaming Facility Operator chooses to extend credit, it shall do so in accordance with a lines of credit policy approved in accordance with this Appendix. In addition to the Tribe's minimum internal control standards, the Gaming Facility Operator's lines of credit policy shall include:
 - (a) The minimum and maximum credit amount that the Gaming Facility Operator may extend to any patron. The amount extended shall be established for each patron on a case by case basis depending on the patron's credit worthiness. The amount shall be set by the Gaming Facility Operator. In no case shall the minimum amount of credit line to any patron be less than the amount set forth in Compact Section 3(k)(4).
 - (b) Minimum requirements of credit worthiness. The Gaming Facility Operator may consider any of the following prior to deciding whether to advance credit to a patron: a minimum amount of income; a minimum level of available assets; bankruptcy filings; player rating; bank account information; and casino credit history. Credit shall be extended only to patrons who meet the specified criteria in the lines of credit policy.
 - (c) The Gaming Facility Operator shall request a consumer credit report prior to extending any credit. If a consumer credit report is unavailable, a credit history check shall be performed.
 - (d) For patrons with active credit lines, a periodic re-evaluation of credit worthiness.
 - (e) The terms and conditions of the credit extended which shall include an authorization for the Gaming Facility Operator to negotiate a credit instrument against the patron's bank account(s).
 - (f) A prohibition on charging application fees or other fees (except for transaction fees not to exceed amounts typically charged by ATM providers) or interest for credit extended to patrons except as provided for in III.B(1) of this Appendix.
 - (g) The repayment period, which shall be no more than thirty (30) days from the date credit is extended.
 - (h) Procedures for the evaluation of patron credit usage and repayment.

- (i) Collection, write-off, and settlement standards.
- (j) Procedures for Judicial Collection of amounts that remain unpaid after thirty (30) days that provide for enforcement actions to be taken in a court of competent jurisdiction.
- (k) A prohibition on extending credit to persons on the barred persons list or the self-exclusion list.

B. Approval Standards.

- (1) The Gaming Facility Operator shall submit to the Tribal Gaming Office the lines of credit policy for approval. The Tribal Gaming Office shall review and issue either a written approval or disapproval of the credit policy.
- (2) The lines of credit policy shall be provided to the State Gaming Agency for review and approval. Within seven (7) days of receipt, the State Gaming Agency shall submit to the Tribal Gaming Office any comments or objections it may have to the proposed policy. If the State Gaming Agency does not object within seven (7) days, then the policy shall be deemed approved. If the State Gaming Agency does object, the Tribal Gaming Office and the State Gaming Agency shall meet and confer within fourteen (14) days in a good faith effort to resolve the objections. Unresolved objections to any proposed rules or procedures shall be resolved pursuant to the provisions of the Compact prior to implementation.

II. APPLICATION STANDARDS.

A. Application Notification.

- (1) The Gaming Facility Operator shall provide a patron applying for credit with written notice of the terms and conditions of the credit, which may be provided electronically, including the consequences for failure to repay the debt.
- (2) An application for credit shall include the following notices:
 - (a) A consumer credit report will be requested by the Gaming Facility Operator. If a consumer credit report is not available, a credit history check will be performed.
 - (b) Short term credit will only be used for the purposes of gaming activity and shall not be used in any other manner.
 - (c) Willfully drawing or passing a credit instrument knowing that there are insufficient funds in an account upon which it may be drawn, or providing false or misleading statements or making material omissions on an application for credit, may constitute a criminal act, and may subject the patron to civil and/or criminal penalties.
 - (d) If the Gaming Facility Operator will offset credit debt with patron credits or chips, the following statement shall be included in

substantially similar form: I hereby authorize the Gaming Facility Operator, in its sole discretion, to apply any and all credits or chips I may redeem first to the reduction of any outstanding credit balance, with the remainder, if any, to be returned to me.

- (e) The Gaming Facility Operator will be authorized to collect any amounts owed from the bank account of the patron.

B. Acknowledgement and Access.

- (1) Any patron requesting credit shall sign a statement verifying that they have read all notifications and that the information submitted in their application is true and accurate.
- (2) Any patron applying for short-term credit may request a copy of their application.
- (3) The Gaming Facility Operator shall provide an account balance and activity listing to a patron upon request.

III. OPERATIONS AND PROTECTIONS.

A. Operations.

- (1) Any credit extended to a patron shall be used exclusively for the purposes of gaming activity.
- (2) The Gaming Facility Operator may utilize player's club information and player ratings in evaluating patron credit usage and access to additional credit.
- (3) The Gaming Facility Operator may require the payoff of outstanding balances from winnings or jackpots.

B. Protections

- (1) If the patron fails to repay the credit within thirty (30) days and a collection action is initiated, the Gaming Facility Operator may require the patron to pay collection costs, attorney fees, and/or court costs.

IV. INTERNAL AUDIT. At least annually, Internal Audit personnel shall review the Gaming Facility Operator's credit program to verify compliance with this Appendix.