Washington State Gambling Commission

Protect the Public by Ensuring that Gambling is Legal and Honest.

July 15, 2025

The Honorable Representative Sharlett Mena, Chair
House State Government and Tribal Relations Committee
P.O. Box 40600
Olympia, WA 98504

Dear Chair Mena:

I am sending this correspondence to advise you that we have reached a tentative agreement with the Puyallup Tribe of Indians to amend their Class III Gaming Compact. Per RCW 9.46.360, when a tentative agreement with a Tribe is reached, the Gambling Commission shall transmit a copy of the proposed compact to all voting members of the Commission and to the designated committees.

RCW 9.46.360 also requires the designated committee of the Senate and the House of Representatives, within 30 days of receipt, to hold a hearing and forward any comments to the Gambling Commission. The Gambling Commission, including ex officio members, then vote, after giving the public an opportunity to comment, to determine whether to forward the proposed compact to Governor Ferguson for review and execution or return it to me with instructions for further negotiation.

The Gambling Commission plans to hold its public hearing concerning the proposed Class III Gaming Compact Amendment on August 14, 2025, in-person or virtually via Microsoft Teams. The exact time will be available on our website (www.wsgc.wa.gov).

I have enclosed a copy of the proposed Class III Gaming Compact amendment. For additional information, please call me at (360) 486-3546, or the Commission's Assistant Attorney General, Sharon James at (360) 586-2747.

Sincerely,

Tina Griffin
Director

Enclosure:

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Lacey, WA 98503
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901 N Monroe St Suite 240
Spokane, WA 99201
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Proposed Compact Amendment

Duplicate Original:

The Honorable Bob Ferguson, Governor of Washington
The Honorable Bill Sterud, Chair, Puyallup Tribe of Indians
The Honorable Claudia Kauffman, Chair, Senate Business, Financial Services & Trade Committee
Alicia Levy, Chair, Washington State Gambling Commission

cc:

Representative Chris Stearns, Vice Chair
Representative Kevin Waters, Ranking Member
Representative Jim Walsh, Assistant Ranking Member
Connor Schiff, Counsel, Office of Program Research
Desiree Omli, Counsel, Office of Program Research
Sharon James, Assistant Attorney General, Office of the Attorney General
Julie Lies, Tribal Liaison, Washington State Gambling Commission

SEVENTH AMENDMENT TO THE TRIBAL – STATE COMPACT

FOR CLASS III GAMING BETWEEN

THE PUYALLUP TRIBE OF INDIANS AND THE STATE OF WASHINGTON

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The PUYALLUP TRIBE OF INDIANS ("Tribe") and the STATE OF WASHINGTON ("State") (together the "Parties") entered into a Class III gaming compact on May 28, 1996 (hereafter the "Original Compact"), pursuant to the Indian Gaming Regulatory Act ("IGRA"). Over the years, the Parties amended the Compact. The Parties have now reached an agreement to amend and restate the Compact as set forth below.

COMPACT AMENDMENT

1. **The attached Amended and Restated Tribal – State Class III Gaming Compact supersedes the Original Compact entered on May 28, 1996, as amended, in its entirety.**
   The amended and restated Compact contains bargained for concessions, limitations, and agreements of the Tribe and the State. The Parties agree that Section III contains interdependent conditions and consequences such that Section III is accepted as a whole.

2. **Replace Appendix A - Standards of Operation and Management for Class III Activities.**
   Appendix A "Standards of Operation and Management for Class III Activities" as set forth in the Tribe's Original Compact is replaced in its entirety by the attached amended and restated Appendix A.

3. **Replace Appendix B - Satellite (Off-Track) Wagering on Horse Races.**
   Appendix B "Satellite (Off-Track) Wagering on Horse Races" as set forth in the Tribe's Original Compact is replaced in its entirety by the attached amended and restated Appendix B.

4. **Delete Appendix C - Class III Gaming Station Transfer Agreement.**
   Appendix C "Class III Gaming Station Transfer Agreement" added in the Tribe's Second Amendment is deleted in its entirety.

5. **Add Appendix D - Definitions.**
   The Compact is hereby amended to add Appendix D "Definitions," in the form attached hereto.

6. **Add Appendix G - Electronic Table Games.**
   The Compact is hereby amended to add Appendix G "Electronic Table Games," in the form attached hereto. The attached Electronic Table Games Appendix was bargained for and in exchange for provisions therein and Section III in the amended and restated Compact.
7. **Add Appendix L - Licensing, State Certification, Eligibility Determination, and Registration Procedures.**
   The Compact is hereby amended to add Appendix L "Licensing, State Certification, Eligibility Determination, and Registration Procedures," in the form attached hereto.

8. **Replace Appendix S - Sports Wagering.**
   Appendix S "Sports Wagering" added in the Tribe's Sixth Amendment is replaced in its entirety by the attached amended and restated Appendix S. The attached Sports Wagering Appendix was bargained for and in exchange for provisions therein and Section III in the amended and restated Compact.

9. **Add Appendix W - Rules Governing Wide Area Progressives.**
   The Compact is hereby amended to add Appendix W "Rules Governing Wide Area Progressives," in the form attached hereto.

10. **Delete Appendix X - Rules Governing Tribal Lottery Systems.**
    Appendix X "Rules Governing Tribal Lottery Systems" added in the Tribe's First Amendment is deleted in its entirety.

11. **Replace Appendix X2 - Rules Governing Tribal Lottery Systems.**
    Appendix X2 "Rules Governing Tribal Lottery Systems" added in the Tribe's Fourth Amendment is replaced in its entirety by the attached amended and restated Appendix X2. The attached Appendix X2 was bargained for and in exchange for provisions therein, and Sections III and X of the amended and restated Compact.

12. **Delete Appendix X2 Addendum.**
    Because many of the terms in Appendix X2 Addendum were incorporated into Section III.K and Section X of the amended and restated Compact, Appendix X2 Addendum has been deleted.

13. **Replace Appendix Y - Requirements for Electronic Gambling Devices.**
    Appendix Y "Appendix Colville" added in the Tribe's Memorandum of Incorporation, effective June 29, 2004, is replaced in its entirety by the attached amended and restated Appendix Y "Requirements for Electronic Gambling Devices."

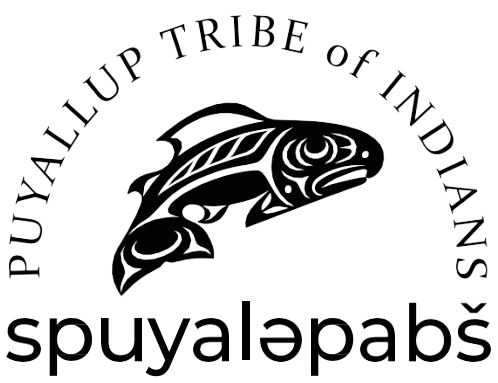
The Tribe and State agree that the Compact and its appendices become effective upon publication of notice of approval by the Secretary of the Interior of the United States in the Federal Register in accordance with 25 U.S.C. § 2710(d)(3)(B).

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IN WITNESS WHEREOF, the Puyallup Tribe of Indians and the State of Washington have executed the Compact.

THE PUYALLUP TRIBE OF INDIANS	**STATE OF WASHINGTON**
BY:_____	**BY:**_____
BILL STERUD	**BOB FERGUSON**
Chairman	**Governor**
DATED:_____	**DATED:**_____

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TRIBAL – STATE COMPACT FOR CLASS III GAMING

BETWEEN THE

Puyallup Tribe of Indians

AND THE

State of Washington

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INTRODUCTION AND PARTIES

This Class III Tribal – State Gaming Compact ("Compact") is between the Puyallup Tribe of Indians ("Tribe"), a federally recognized Indian tribe and sovereign entity, and its fellow sovereign, the State of Washington ("State") (together, the "Parties"). The Parties enter this Compact pursuant to the federal Indian Gaming Regulatory Act ("IGRA") in the spirit of cooperation, collaboration, and mutual respect.

INTENT STATEMENT

For nearly three decades, the Tribe and the State have ensured the fair and lawful operation of Class III Gaming. Their success in preventing corrupt and criminal influences within the industry displays a storied history in regulating Class III Gaming. Consistent with the intent and objectives set forth in IGRA, the Tribe takes the lead as the primary regulator of Gaming on Tribal Lands and the State offers valuable assistance and support as a co-regulator.
The amended Compact continues this robust history of collaboration between the Tribe and the State which benefits their citizens and the public. Together, the Parties will keep Class III Gaming safe, well-regulated, and carried out in accordance with IGRA's stated policy goals.

The Original Compact, entered into on May 28, 1996, went through many amendments. This made the Compact not only difficult to navigate, but hard to read and implement. The Parties endeavored to address these issues in this amended Compact. They merged similar requirements, eliminated obsolete provisions, and revised other sections to comply with IGRA's implementing regulations. The amended Compact is now streamlined and updated to optimize use and understanding by operators and regulators.

Controlling Class III Gaming on the Puyallup Indian Reservation remains mutually beneficial for both the Tribe and the State. To maintain this positive position, the Parties remain committed to an amicable and valuable government-to-government relationship as reflected under the amended Compact.

DECLARATION OF POLICY AND PURPOSE

IGRA provides a statutory and regulatory framework for the operation of Class III Gaming by Indian tribes on tribal lands, in coordination with state governments. Indeed, the core goals of IGRA are to promote lawful and protected Gaming activities for purposes of promoting tribal economic development, tribal self-determination, and strong tribal governments.
25 U.S.C. § 2702(1).

Indian Gaming creates employment opportunities, advances economic and social development, and generates funding for essential government services for the benefit of the Tribe's citizens and the regional community. To further this, the Tribe will continue to utilize Class III Gaming net revenues to:

(a) Fund Tribal government operations or programs;

(b) Provide for the general welfare of the Tribe and Tribal citizens;

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(c) Promote Tribal economic development;

(d) Donate to charitable organizations; and/or

(e) Help fund operations of local government agencies, 25 U.S.C. § 2710(b)(2)(B).

Good faith negotiations between the Parties produced the terms and conditions of this Compact. The result is an agreement that sets forth a comprehensive framework for the operation of Class III Gaming to achieve the following regulatory goals:

(a) Ensure the fair and honest operation of Class III Gaming activities;

(b) Maintain the integrity of all actions conducted in regard to Class III Gaming activities;

(c) Prevent unsavory and unsuitable persons from having any direct or indirect involvement with Class III Gaming activities at any time or in any capacity;

(d) Establish and maintain responsible accounting practices and procedures;

(e) Maintain effective control over the financial practices related to Class III Gaming activities, including establishing the minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues along with reliable recordkeeping;

(f) Prevent cheating and fraudulent practices; and

(g) Protect the health, welfare, and safety of all citizens.

In light of the policies and purposes stated in IGRA above, and in consideration of the mutual undertakings and agreements set forth below, the Tribe and the State enter into the following Compact.

I. TITLE

This document will be cited as "Puyallup Tribe of Indians – State of Washington Gaming Compact."

II. DEFINITIONS

Defined terms used in the Compact and Appendices are included in Appendix D, known as the Definitions Appendix.

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III. NATURE AND SCOPE OF CLASS III GAMING

The Tribe and State agree that Section III contains interdependent conditions and consequences and are hereby accepted as a whole. Each of the provisions in Section III were bargained for concessions, limitations, and agreements of the Parties.

A. Number and Location of the Gaming Facilities

(1) The Tribe may establish two Gaming Facilities to be located on Tribal Lands.

(2) Any Gaming Facility may be expanded to include additional buildings or portion(s) thereof connected to become part of that Gaming Facility. Any connected structures of that Gaming Facility must provide corridors connecting such buildings or portion(s) thereof with a safe, secure, and direct path for the public, employees, and assets. All Compact requirements shall apply to such additional buildings.

B. Ownership of Gaming Facilities and Gaming Operation

The Gaming Operation, including all Gaming Facilities, shall be owned by the Tribe or any corporation or other entity wholly owned by the Tribe and formed under Tribal law.

C. Alcoholic Beverage Service

Standards for alcohol service within the Gaming Facilities shall be subject to applicable law or applicable agreement between the Tribe and the Washington State Liquor and Cannabis Board, or its successor agency.

D. Size of Gaming Floor

The actual size of the Class III Gaming floor within each Gaming Facility shall be determined by the Tribe.

E. Hours of Operation

Operating hours shall be determined by the Tribe.

F. Prohibition on Minors

No person under the age of 18 shall participate in any Gaming activities authorized by the Compact, or be employed in any Gaming Operation, or be allowed on the Class III Gaming floor during actual hours of operation. Provided, such age limitation shall not apply to a person accompanied by an adult for the specific and limited purpose of proceeding directly and immediately across the Gaming area for legitimate non-gaming purposes, with no Gaming area loitering or Gaming participation by the underage person or accompanying adults. Persons of the ages 18, 19, and 20 may patronize and participate in Class III Gaming activities, so long as they do not purchase or consume alcoholic

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beverages on the Premises in accordance with Washington State liquor laws or an applicable written agreement between the Tribe and the Washington State Liquor and Cannabis Board or successor State agency.

G. Prohibition on Firearms

The possession of firearms by any person within the Gaming Facility shall be strictly prohibited. Provided, this prohibition shall not apply to authorized agents or officers of the TGA, Tribal Law Enforcement Agency, SGA, or federal, State, and Non-Tribal Law Enforcement.

H. Acceptance of Electronic Benefits Cards from the State of Washington

All Cash dispensing outlets located within the Gaming Facilities, including without limitation automated teller machines (ATM) and point of sale machines, shall not accept electronic benefits cards (EBT).

I. Forms of Payment

All payment for wagers made for Class III Gaming authorized under the Compact, including the purchase of chips for use in wagering, shall be made by Cash or Cash Equivalent. Cash payments for wagers made through near-field communication (NFC) devices, EMV (Europay, Mastercard, and Visa) or smart cards, or similar secure payment technologies may be utilized upon agreement between the TGA and the SGA, and documented in a Memorandum of Understanding. Except for use of credit cards or an approved Patron credit program implemented under Section III.J, no credit shall be extended to any Patron of a Gaming Facility for Gaming activities.

J. Patron Credit Program

(1) Authorized. The Gaming Operation may establish a credit program for Patrons who meet the criteria set forth in credit procedures developed by the Gaming Operation and approved by both the TGA and the Tribe.

(2) Minimum Requirements. The purpose of a credit program is to increase safety by offering Patrons an alternative to carrying significant amounts of Cash on their person. Critically, a credit program must prohibit the extension of credit to Patrons who cannot afford to gamble or to Patrons who have exhibited signs of problem gambling. To achieve this purpose, the credit program must include the below safeguards, in the form of credit procedures, that specify *at least* the following:

(a) All Patrons requesting credit are required to submit a complete Tribal credit application and be provided problem gambling information;

(b) The minimum and maximum amount any Patron can request;

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(c) The process for review and verification of the credit application, which review process shall include, at a minimum, Proof of Identity, obtaining a: (i) credit report, (ii) gaming report unless this is the first casino credit for the Patron (from Central Credit Inc. or similar provider that provides information on the Patron's prior casino credit), and (iii) bank verification of accounts;

(d) When a Patron's credit application will be reviewed after initial application and preapproval;

(e) Patrons will not be extended credit if they are known to the Gaming Operation to have a history of problem gambling, if actively barred by the Tribe for self-exclusion, or if the Gaming Operation's review of a credit report indicates the Patron is proposing a line of credit beyond their means;

(f) How each Patron's credit application information is kept confidential and secure from unauthorized access, including who is authorized to access the credit application information;

(g) Information about Patrons requesting credit will not be shared or used for marketing or promotional purposes with entities outside the Gaming Operation;

(h) How the preapproval amount is determined to be consistent with the Patron's credit report, the preapproval amount is documented, and the Patron is notified;

(i) The preapproval will be granted by a Gaming Employee that is independent of the Patron; and

(j) The repayment and debt collection requirements and notification includes: (i) repayment time frames not to exceed ninety (90) days from the day of extension of credit; (ii) any late payment fees, interest charges, or similar fees or charges, settlement process and reports, and prohibition of further credit extension with an unpaid balance; (iii) setoff against any game winnings, jackpots, prizes, and suspension or revocation of any incentive or points programs, complimentary amenities, and amenities; and (iv) following applicable federal debt collection laws.

(3) Approval Process. After the Tribe's governing body has approved the credit procedures, the TGA must forward to the SGA a copy of the approved credit procedures, and any changes to the credit procedures, for review and concurrence pursuant to the Internal Control process set forth in Section VII.A prior to implementation of or change to any credit program.

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K. Number of Tribal Lottery System Player Terminals

(1) History. The Tribal Lottery System was established in Appendix X in 1998, which was updated in Appendix X2 in 2007, and updated again in 2017 with an Addendum to Appendix X2. As part of the Tribe's 2025 amended and restated Compact, this Section III.K now governs the "Allocation" of Player Terminals, as acknowledged in Appendix X2, Section 12.1.

(2) Allocation, Transfer Allocation, Total Operating Ceiling. The legacy versions of Appendices X, X2, and the X2 Addendum imposed limitations on the Player Terminal allocation as well as the total number of Player Terminals that may be operated in the Tribe's Gaming Facilities. Except as provided in Sections III.K(3) and (4), the following limitations apply:

(a) All Eligible Tribes, including the Tribe, are entitled to an initial Player Terminal allocation of 1,125 ("Allocation"). Like other Eligible Tribes, the Tribe may choose to operate a Player Terminal from its Allocation or transfer that right to operate a Player Terminal to another Eligible Tribe (known as a "lease"); the right to operate a Player Terminal and the ability to lease that right to another tribe are mutually exclusive.

(b) When the Tribe elects to lease the right to operate Player Terminals to or from another Eligible Tribe ("Transfer Allocation"), the lease is done pursuant to an intertribal transfer agreement, the form of which will be determined by the Tribe; provided, however, the transfer agreement is not effective until the SGA has received notice of the transfer, a notice that must include: (i) the identity of the parties to the transfer agreement, (ii) the number of Player Terminals transferred under the agreement, and (iii) the start and end date of the transfer agreement.

(c) Each Eligible Tribe is entitled to an operating ceiling of 3,000 Player Terminals in its Gaming Facilities, and three tribes, the Muckleshoot Tribe, the Tulalip Tribes, and the Puyallup Tribe, are each entitled to an operating ceiling of 4,000 Player Terminals ("Total Operating Ceiling").

(3) Additional Allocation and Adjusted Operating Ceiling. The Tribe may choose to receive up to an additional 1,000 Player Terminals ("Additional Allocation") increasing its total allocation to 2,125 and its operating ceiling to 5,000 ("Adjusted Operating Ceiling"), but the Additional Allocation and Adjusted Operating Ceiling are available only upon the triggering events and restrictions below:

(a) After operating for at least two (2) years at its Total Operating Ceiling of 4,000 Player Terminals in its Gaming Facilities, the Tribe may operate 500 of the Additional Allocation of Player Terminals.

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(b) After the Tribe has operated 4,500 Player Terminals in its Gaming Facilities for six (6) months, the Tribe may operate the remaining 500 Player Terminals of the Additional Allocation.

The Tribe may not use the Additional Allocation to replace the Transfer Allocation.

(4) Increase to Allocation.

(a) In the event any other Eligible Tribe becomes entitled to an increased allocation of Player Terminals under that tribe's version of Appendix X2 or Addendum thereto, the Tribe shall be automatically entitled to the same increase in its Allocation, and the State shall provide prompt notification of the increase to the Tribe.

(b) If the Tribe's Allocation is increased under Section III.K(4)(a), then the Tribe's Additional Allocation will decrease by the same number of Player Terminals. For example, if each Eligible Tribe is entitled to an additional 50 Player Terminals, then the Tribe will also be entitled to 50 Player Terminals as a part of its Allocation, but the Tribe's Additional Allocation will be reduced by 50 Player Terminals.

L. Number of Gaming Stations

(1) The maximum number of Gaming Stations within the Gaming Facilities combined shall not exceed a total of 125 Gaming Stations. The Tribe, in its sole discretion, shall determine the allocation of the 125 Gaming Stations between the Gaming Facilities.

(2) The calculation of Gaming Stations related to Electronic Table Games is specified in Appendix G.

(3) The Tribe must obtain a transfer of a Gaming Station authorization from another tribe that has entered into a compact with the State for the operation and use of Gaming Stations beyond 75 in total for all Gaming Facilities. The transfer of a Gaming Station authorization from another tribe shall be effectuated through the use of an agreement, the form of which will be determined by the Tribe; provided, however, the transfer agreement is not effective until the SGA has received notice of the transfer, and such notice must include: the identity of the parties to the transfer agreement, the number of Gaming Stations transferred under the agreement, and the start and end date of the transfer agreement.

M. Wagering Amounts – Gaming Stations

(1) Gaming Station wager limits must not exceed one thousand dollars ($1,000) except in a High Limit Room, as described in Section III.M(3).

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(2) The wager limits for Electronic Table Games are five hundred dollars ($500) as specified in Appendix G.

(3) The Gaming Operation may offer wager limits above one thousand dollars ($1,000), but not to exceed five thousand dollars ($5,000), at Restricted Access Tables only in a High Limit Room. A "High Limit Room" means a clearly identified area of the Gaming Facility separated by a permanent, physical barrier or a separate room in the Gaming Facility. "Permanent, physical barrier" includes a partial wall, fence, or similar separation. Stanchions or similar movable barriers are not considered a permanent, physical barrier. Restricted Access Tables shall be limited to customers pre-screened by the Gaming Operation. The pre-screening qualifications and screening process will be set forth in a Memorandum of Understanding agreed upon by the TGA and the SGA.

(4) No customers may participate in Gaming at Gaming Stations in the High Limit Room if they are known to the Gaming Operation to have a history of problem gambling, are barred for self-exclusion, or self-identify as needing assistance with problem gambling.

N. Wagering Amounts – Player Terminals

(1) The purchase price for a single Electronic Scratch Ticket may not exceed thirty dollars ($30).

(2) Each Tribal Lottery System On-line Lottery Game wager may not exceed thirty dollars ($30).

(3) If the Washington State Lottery approves a purchase price per ticket greater than that provided under the Compact, the Gaming Operation may increase its maximum wagers and purchase price for Electronic Scratch Tickets or On-line Lottery wagers to match the Washington State Lottery increase, provided that the State and the Tribe agree to incorporate into the Compact, consistent with Section XIII.E, only the specific provisions and restrictions related to the purchase price, and such agreement will be documented in a memorandum of incorporation.

O. Public Health, Safety, and Environmental Protection

(1) For the purposes of the Compact, the Gaming Operation shall comply with all applicable federal and Tribal laws with respect to public health and safety, including environmental protection laws, building codes, and food and beverage handling standards.

(2) The Tribe shall make reasonable provisions for emergency service accessibility and for adequate emergency fire, medical, and related relief and disaster services at the Gaming Facilities.

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(3) Because air quality in any Gaming Facility is an important part of protecting public health and safety, the Tribe agrees to provide a non-smoking area in each Gaming Facility.

P. Community Contributions

As contemplated in IGRA and the Tribal Gaming Code, revenues from the Gaming Operation have been donated to charitable organizations and used to help fund operations of local government agencies since the Gaming Operation opened in 1996. The Tribe's substantial contributions have had a significant positive impact on the surrounding community and charitable organizations. The State encourages the Tribe to continue making such community investments to support public services, and to ensure the safety of Gaming Operation Patrons and Gaming Employees, and to continue supporting the valuable work of charitable organizations throughout Washington.

Q. Problem Gambling and Responsible Gaming Program

The Tribe and the State recognize the importance of responsible gaming as part of the shared responsibility to protect the health, welfare, and safety of the citizens of the Tribe and of the State. If not already implemented, the Gaming Operation must establish a comprehensive education and awareness program that includes, at a minimum, the following:

(1) Annual Training. The Gaming Operation will provide annual training and education for all Gaming Employees to cover the following topics: how to identify problem gamblers, how to provide assistance to problem gamblers when asked, underage Gambling prevention, responding to unattended children, information about the Tribe's self-exclusion/barring process, and information about the increased risk of problem gambling among people who work in the Gaming industry.

(2) Policy. The Gaming Operation will create and maintain a responsible gaming policy that will be made available to Patrons within the Gaming Facilities and on the Gaming Operation's website. The policy will include at least the following:

(a) Information about responsible gaming;

(b) Resources for people seeking information about problem gambling and mitigating Gambling related harms;

(c) Information about how and where to seek treatment;

(d) Information about the process for self-exclusion measures created under Section III.Q(3);

(e) National or local hotline numbers for people seeking assistance with problem gambling;

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(f) A description of self-imposed limits offered by the Gaming Operation, if any; and

(g) A description of procedures used to prevent underage people from Gambling.

(3) Self-Exclusion Program. The Gaming Operation will establish a self-exclusion program whereby a self-identified problem gambler may request exclusion from the Gaming Facilities. Information about the self-exclusion program will be made available to Patrons within the Gaming Facilities and on the Gaming Operation's website, and, if economically feasible, available within Player Account applications. At a minimum, the website must have the ability for a Patron to make an appointment with the Gaming Operation to self-exclude and include information about how a Patron can initiate the process of self-exclusion.

When a Patron agrees to self-exclusion, the Gaming Operation will provide the Patron with a list of resources for problem gamblers and the toll-free helpline number for problem gambling and Gambling disorders. The Gaming Operation will also make all commercially reasonable efforts to remove a Patron from mailing lists, including marketing and promotional materials, and deny or close all complimentary amenities to a self-excluded Patron.

(4) Responsible Gaming Signage and Posting.

(a) The Gaming Operation will display a commitment to responsible gaming and a link to the policy, created pursuant to Section III.Q(2), designed to target Patrons at locations such as all public entrances and exits to the Gambling area, in or near Gambling areas, and in any areas where Cash or electronic transfer of funds are available to Patrons. The Gaming Operation will more fully describe where signage will be placed in an internal policy, a copy of which will be provided to the SGA.

(b) Each ETG Terminal, Mobile Sports Wagering application, and each Sports Wagering Kiosk will display a commitment to responsible gaming and a link to the policy created pursuant to Section III.Q(2). The method of display will be determined by the Gaming Operation and approved by the TGA.

(c) The Gaming Operation's advertising and marketing materials will contain a responsible gaming message and a toll-free help-line for problem gamblers, where practical or feasible.

(d) All direct advertising, marketing, or promotional materials will include a clear and conspicuous method allowing Patrons to unsubscribe from future advertising, marketing, or promotional communications.

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(5) Self-Imposed Limits.

(a) Either through the Mobile Sports Wagering application or through the Player Accounts, the Gaming Operation shall include the option to self-impose limitations on wagering parameters including, at a minimum, (i) limits on the dollar amount of deposits a Patron can make into a Player Account within a specified time period, (ii) limits on dollar amounts to spend/wager within a specified time period, and (iii) limits on the total amount of time available for play or wagering during a specified time period. If a Patron imposes a limit, it will be effective without any changes for at least twenty-four (24) hours.

(b) Should an interactive responsible gaming application or program be developed to offer Patrons additional opportunities to opt-in to self-imposed limitations on Class III wagering, then the Tribe will consider whether implementing such application or program at its Gaming Facility is feasible.

(6) Tribal Certification. No later than June 30 of each year, the TGA will certify to the SGA that the Gaming Operation's responsible gaming education and awareness program satisfied the requirements described in this Section III.Q for the prior calendar year.

IV. CLASS III GAMING ACTIVITIES AND OTHER GAMING ACTIVITIES

The Gaming Operation may conduct in the Gaming Facilities, subject to the terms and conditions of the Compact, any or all of the Class III Gaming activities not specifically prohibited by federal law and not prohibited by the State as a matter of criminal law; provided any Class III Gaming activity or Class III Gambling Device not authorized in the Compact is prohibited.

A. Class III Table Games

(1) Existing Games. The Gaming Operation may offer any Class III table game authorized for play in the State of Washington pursuant to the table game rules approved at the time of the effective date of the Compact.

(2) Modifications. If the Gaming Operation wishes to modify game rules of an approved Class III table game, it shall first provide the modified game rules to the TGA for review and approval. Once the TGA has reviewed and approved the modified game rules, the TGA shall provide the SGA with the approved modifications to the rules. If the SGA takes no action on the submitted modifications to the game rules within twenty (20) days, the Gaming Operation may begin offering the table game. If, however, the SGA disagrees with the proposed modified game rules, it shall provide a notice of disagreement to the TGA setting forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to

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resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

(3) Approved in Washington After Effective Date. If the Gaming Operation wishes to offer any Class III table game not approved at the time of the effective date of the Compact but subsequently authorized for play in the State of Washington and played in accordance with the rules as approved, it shall first provide the game rules to the TGA for review and approval, and the TGA shall provide the table game rules to the SGA at least twenty (20) days prior to the time play shall begin. If, however, the SGA disagrees with the proposed table game rules, it shall provide a notice of disagreement to the TGA, setting forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

(4) New Table Games. If the Gaming Operation wishes to offer any Class III table game that does not fall under subsections (1), (2), or (3) above, it shall first provide the game rules to the TGA for review and approval. Once the TGA has reviewed and approved the table game rules, the following items shall be submitted to the SGA at least sixty (60) days prior to the time play shall begin:

(a) The proposed rules;

(b) Manner of regulation;

(c) Manner of play; and

(d) Any equipment included as part of the proposal. A working model of the equipment will be submitted to the SGA prior to installation and implementation of the equipment.

If the SGA takes no action on the submission within sixty (60) days, the Gaming Operation may begin offering the game. If, however, the SGA disagrees with the submission, it shall provide a notice of disagreement to the TGA setting forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

(5) Electronic Table Games. The Gaming Operation may offer Electronic Table Games, operated in conformity with Appendix G.

B. Tribal Lottery System

The Gaming Operation may offer Tribal Lottery Systems operated in conformity with Appendix X2.

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C. Tribal Lottery System Wide Area Progressives

The Gaming Operation may offer Tribal Lottery System Wide Area Progressives operated in conformity with Appendix W.

D. Electronic Gambling Devices

The Gaming Operation may offer Electronic Gambling Devices, as defined herein and the Johnson Act, 15 U.S.C. § 1171, operated in conformity with Appendix Y.

E. Keno

(1) The Gaming Operation may offer any Keno System approved for play in the State of Washington pursuant to the game rules and Internal Controls approved at the time of the effective date of the Compact.

(2) The wagering limit for Keno is five hundred dollars ($500).

(3) If the Gaming Operation wishes to offer a modification to the game rules or Internals Controls of a currently authorized Keno System or a new Keno System that was not approved at the time of the effective date of the Compact, but was subsequently authorized for play in the State of Washington, it shall first provide the game rules or Internal Controls to the TGA for review and approval, and the TGA shall provide the game rules or Internal Controls to the SGA at least twenty (20) days prior to the time play shall begin. If the SGA takes no action within twenty (20) days, the Gaming Operation may begin offering the game. If, however, the SGA disagrees with the proposed game rules or Internal Controls, it shall provide a notice of disagreement to the TGA, setting forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

(4) If the Gaming Operation wishes to offer a Keno System that does not fall under Section IV.E(1) or (3), it shall first provide the game rules, manner of regulation, and manner of play to the TGA for review and approval. Once the TGA has reviewed and approved the submission as described above, the game rules, manner of regulation, manner of play and the proposed Keno System equipment will be submitted to the SGA for review, testing, and approval at least sixty (60) days prior to time play shall begin. If the State takes no action on the submission within sixty (60) days, the Gaming Operation may begin offering the game. If, however, the SGA disagrees with the submission, it shall set forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

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F. Washington State Lottery Tickets

The sale of State lottery tickets on Tribal Lands shall be subject to the provisions of RCW 67.70, WAC 315, and the Tribal Gaming Code.

G. Lottery-Type Games

(1) The Gaming Operation may offer games including keno-type games, instant tickets, raffles, or other lottery-type games authorized for play for any purpose by any person, organization, or entity in the State of Washington that are not otherwise treated as Class II Gaming in Washington pursuant to 25 U.S.C. § 2703(7); provided, that the Gaming Operation shall first provide the proposed rules, manner of regulation, manner of play, and if the proposal includes Gambling equipment, the proposed equipment, to TGA for review and approval.

(2) Once the TGA has reviewed and approved the submission as described in subsection (1) above, at least sixty (60) days prior to the time play shall begin, the TGA will submit to the SGA the following:

(a) Proposed rules;

(b) Manner of regulation;

(c) Manner of play; and

(d) If the proposal includes Gambling equipment, the proposed equipment will be submitted to the SGA for testing and approval prior to installation and implementation.

(3) If the State takes no action on the submission within sixty (60) days, the Gaming Operation may begin offering the game. If, however, the SGA disagrees with the submission, it shall set forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

H. Satellite (Off - Track) Wagering on Horse Races

The Gaming Operation may offer Satellite (off-track) Wagering on horse races, in conformity with Appendix B.

I. Sports Pools

The Gaming Operation may offer sports pools on regularly scheduled athletic contests of 100 squares wherein each square is sold for not more than one hundred dollars ($100) and all proceeds, less a Tribal administrative charge of no more than 50 cents (.50) for

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each ten dollars ($10) wagered, are awarded as prizes. The sports pool may be conducted only as follows:

(1) A board or piece of paper is divided into 100 equal squares, each of which constitutes a chance to win in the sports pool and each of which is offered directly to prospective contestants;

(2) The purchaser of each chance or square signs their name on the face of each square purchased;

(3) No later than prior to the start of the subject athletic contest, the pool is closed and no further chances are sold;

(4) After the pool is closed a prospective score is assigned, by a random drawing to each square; and

(5) The sports pool board must be available for inspection by any Player purchasing a chance, the TGA, and the SGA, at all times prior to the payment of the prize.

J. Punchboards and Pull Tabs – Separate Locations

The Gaming Operation may utilize punchboards and pull tabs in each Gaming Facility and at other locations under the Tribe's jurisdiction subject to regulation and licensing by the TGA and operated in a manner consistent with the sale of punchboards and pull tabs under IGRA.

K. Sports Wagering

The Gaming Operation may offer Sports Wagering operated in conformity with Appendix S.

V. LICENSING, STATE CERTIFICATION, ELIGIBILITY DETERMINATION, AND REGISTRATION

A. Gaming Facilities

The Gaming Facilities authorized and regulated by the Compact shall be licensed by the TGA in conformity with the requirements of the Compact and the Tribal Gaming Code prior to commencement of operation.

B. New Facility or Expansion of Existing Facility

Verification that the Compact and Tribal Gaming Code requirements have been met for any new or additional Gaming Facilities, or for expansion of an existing Gaming Facility, shall be made by the TGA and the SGA. The TGA and the SGA shall meet as soon as practicable, but in any event, before construction begins of a new, or expansion of an existing, Gaming Facility to discuss expectations and timelines, including the schedule

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for routine status meetings. The TGA and the SGA shall monitor the pre-operation requirements during the construction of the project, and each respective agency shall notify the other immediately of any non-compliance finding and work to resolve the issues throughout the project. A joint pre-operation inspection shall be scheduled at least thirty (30) days prior to the scheduled opening to the public. If a Gaming Facility fails to meet the pre-operation requirements, the TGA or the SGA must send a written and detailed non-compliance letter and report to the Tribe and the Chief Executive Officer seven (7) business days before the scheduled opening to the public. If the TGA and the SGA do not agree on whether a Gaming Facility meets the requirements, the agencies will meet within seven (7) business days from receipt of the non-compliance letter and work together to resolve concerns. If a dispute regarding this inspection cannot be resolved by the TGA and the SGA, the Parties may seek resolution pursuant to Section XI. Provided, if the issues identified in the non-compliance letter do not include requirements addressing the security, integrity, operation scope, or licensing of essential personnel, the Parties may mutually agree to a corrective action plan to promptly address the deficiencies and agree to operate the Gaming Facility pending the corrective action plan.

C. Gaming Employees

Appendix L governs the licensing of Gaming Employees, a process that includes both the TGA and the SGA.

D. Manufacturers and Suppliers of Gaming Services

Each manufacturer and supplier of Gaming Services and its representatives shall be licensed by the TGA and certified by the SGA as described in Appendix L, Section 3, prior to the sale of any Gaming Services to the Tribe.

E. Financiers

Any party who intends to extend financing, directly or indirectly, to the Gaming Operation must obtain a Tribal license and State Certification as described in Appendix L, Section 3, before executing any financing agreement and annually thereafter as long as the financing agreement is in effect.

F. Identification Cards

The TGA shall require all Gaming Employees, representatives of manufacturers and suppliers of Gaming Services, and representatives of Sports Wagering Vendors to carry on their person at all times identification cards issued by the TGA which include the licensee's photo, first name, an identification number unique to the licensee's Tribal license, a Tribal seal or signature, and a date of expiration. The TGA will determine which Gaming Employees are not required to visibly display their identification card and will identify those Gaming Employees to the SGA upon request.

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VI. TRIBAL ENFORCEMENT OF COMPACT REQUIREMENTS

A. Tribal Regulation

The ultimate responsibility for ensuring the regulation, control, and integrity of the Gaming activities authorized by the Compact will be that of the Tribe. The Tribe will provide for and oversee or delegate the following functions:

(1) Enforcement of all applicable laws and regulations in the Gaming Facilities; and

(2) Ensuring the physical safety of all people in the Gaming Facility.

B. Tribal Gaming Agency

The TGA shall have the primary responsibility for the on-site regulatory compliance of the Gaming Operation authorized by the Compact and enforcement of such compliance on Tribal Lands.

As part of its structure and as related to the regulation and integrity of Gaming, the TGA will perform the following functions or ensure that they are being performed by the Tribe or its designee:

(1) Ensuring the physical safeguarding of Gaming assets;

(2) Protecting the Patrons' and the Gaming Facilities' property from illegal activity;

(3) As directed by Tribal Law Enforcement, temporarily detaining any person who may be involved in illegal acts, for the purpose of notifying Tribal or Non-Tribal Law Enforcement; and

(4) Recording, in a permanent and detailed manner, any unusual occurrences, all incidents requiring further review, alleged violations, and investigations occurring within the Premises.

C. Tribal Gaming Agents

(1) The TGA shall employ qualified agents. TGA agents shall be independent of the Gaming Operation, and shall be supervised by and accountable only to the TGA or to the Tribal Law Enforcement, if so authorized by the TGA. TGA agents shall not be required to be certified by the State.

(2) A Tribal Gaming Agent shall be present in the Gaming Facilities during such times as prescribed by the Tribe through the Tribal Gaming Code in an amount sufficient to perform the TGA's responsibilities and duties under the Compact. The TGA shall notify the SGA of any proposed changes to the Tribal Gaming Code that would revise such on-site hours, and no changes in hours will be

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implemented until the SGA has commented or thirty (30) days has lapsed, whichever occurs first.

D. Investigation

(1) The TGA shall investigate any reported, observed, or suspected violation of the Compact or the Tribal Gaming Code and shall require the Gaming Operation to correct the violation upon such terms and conditions as the TGA determines necessary.

(2) If requested by the TGA, the SGA shall assist in any investigation initiated by the TGA and provide other related investigation services for which the Tribe agrees to reimburse the SGA for its costs.

E. Reporting of Violations

(1) If the Gaming Operation, a Gaming Employee, manufacturer or supplier of Gaming Services, or any person on the Premises whether or not associated with the Gaming Operation becomes aware of any violation of the provisions of the Compact or illegal activity, such Individual shall immediately report the violation or illegal activity to the TGA. The TGA shall notify the SGA within seventy-two (72) hours of the time any Gambling and Gambling-related crimes or suspected Gambling crime were reported.

(2) The TGA shall make available to the SGA at the TGA office, or another site as agreed, all completed incident and investigation reports and final dispositions of investigations.

F. Gaming Operation Closure

The TGA will notify the SGA in the event of an unplanned closure of any Gaming Facility to the public for longer than twenty-four (24) hours. Notice will be provided as soon as possible but no later than seventy-two (72) hours after the closure began.

VII. STANDARDS OF OPERATION

A. Adoption of Standards of Operation and Management

The Internal Controls which govern the operation and management of the Gaming Operation, have been approved by the TGA and concurred by the SGA based on the minimum operating standards set forth in the Compact. Any new or revised Internal Controls must ensure that the interests of the Tribe and the State relating to Class III Gaming are preserved and protected, maintain the integrity of the Gaming Operation, and reduce the dangers of unfair or illegal practices in the conduct of the Class III Gaming Operation. The Gaming Operation must submit any new or revised Internal Controls and copies of any forms used to the TGA for approval. The TGA will review any new or

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revised Internal Controls to ensure compliance with Tribal law, in addition to the requirements in the Compact.

(1) When the TGA approves new or revised Internal Controls, the TGA will send the Internal Controls to the SGA for concurrence. The SGA's concurrence will be deemed granted after twenty (20) days of the receipt of such Internal Controls if no disapproval in writing from the SGA is received by the TGA, unless otherwise specified in the Compact. The SGA shall only disapprove such portions of any new or revised Internal Controls it finds would have a material adverse impact on public interest or on the integrity of the Gaming Operation and shall detail the reasons for disapproval.

(2) The TGA shall ensure Internal Controls are not implemented until the SGA has concurred or twenty (20) days has lapsed, and the Tribe did not receive a written disapproval within that time.

B. Game Rules Posting

Summaries of the rules of each game relevant to the method of play and odds paid to winning bets shall be displayed or available in the Gaming Facilities and as specified in the Compact or Appendices. Betting limits applicable to any Gaming Station shall be displayed at such Gaming Station.

C. Additional Operation Requirements

(1) The TGA shall require the audit of the Gaming Operation, not less than annually, by an Independent Accountant, in accordance with the auditing and accounting standards for audits of casinos of the American Institute of Certified Public Accountants. Appendix A contains the requirements for audited financial statements and other reports.

(2) To ensure integrity, detailed security and surveillance logs will be kept in accordance with the specifications set out in the Internal Controls, and in a written or computerized record that shall be available for inspection by the TGA and the SGA in accordance with Section VIII.B.

(3) Each Gaming Facility shall have a Closed Surveillance System according to the specifications set out in Appendix A and the Internal Controls. Copies of the floor plan, a depiction showing the type and location of surveillance cameras, and any modifications thereof shall be provided to the TGA for review. If the floor plan or Closed Surveillance System does not provide unobstructed camera views, the floor plan or Closed Surveillance System must be modified in order to remedy such deficiency. The TGA shall make available to the SGA the floor plan and Closed Surveillance System in accordance with Section VIII.B.

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(4) The TGA shall establish a list of persons barred from the Gaming Facilities and will make a copy of the list available to the SGA in accordance with Section VIII.B.

D. Records Retention

Unless otherwise specified in these standards or exempted by the TGA, all records, documents, and data required to be maintained in this Section VII shall:

(1) Be maintained at such location as approved by the TGA; and

(2) Be retained for at least two (2) years in a manner and location that assures reasonable access by the TGA and the SGA.

VIII. COOPERATIVE ENFORCEMENT OF COMPACT REQUIREMENTS

The Tribe recognizes the benefit of cooperative monitoring, investigating, and reporting between the Tribe and the State to further the goal of fair and honest Gaming. The cooperative enforcement of the Compact requirements will be conducted as described in this Section.

A. State Gaming Agents – Monitoring

(1) The TGA and the SGA shall work together cooperatively to monitor the Gaming Operation to ensure that Gaming is conducted in compliance with the provisions of the Compact. The SGA will coordinate inspections or investigations with the TGA prior to onsite monitoring of the Gaming Operation unless coordination would compromise the inspection or investigation, in which case the SGA will coordinate with the Tribe.

(2) SGA agents shall provide proper identification at the time of inspection to the appropriate Tribal representatives; provided the SGA Director may assign agents to work in an undercover capacity to assist in monitoring the provisions of the Compact. The TGA and the SGA shall establish protocols that allow the TGA to confirm that the SGA agent is duly authorized by the State to monitor the Gaming Operation.

(3) Agents of the SGA and, as applicable, the Washington Horse Racing Commission, shall have access to all areas of the Gaming Facility during operating hours with prior notice to the TGA, and with or without giving prior notice to the Gaming Operation.

(4) Following an investigation, and to the extent such disclosure does not jeopardize the investigation or the personal safety of any person, the SGA shall provide the TGA with a report of the investigation, including information about evidence gathered in connection with the investigation.

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B. Access to Records

(1) Agents of the SGA may review at the TGA office, Gaming Facilities, or another location to be determined by the TGA, during operating hours, all applicable Class III Gaming records maintained by the Gaming Operation as necessary to verify compliance with provisions of the Compact and all records related to Gambling and Gambling-related crimes.

(2) Regardless of the storage system used for Class III Gaming records, the records shall be in a format accessible by agents of the SGA.

(3) The SGA is mindful of the Tribe's desire for privacy and agrees to examine all records at the TGA office, Gaming Facilities or other location to be determined by TGA, to the extent practical. Where the SGA determines it is necessary to make and retain a copy of any such record for the purpose of an investigation, it will notify the TGA of the specific document it requests to be copied and will limit the scope of its request to only such documents or portions of such documents necessary for its investigation.

(4) Any information or records provided to the SGA shall be deemed strictly confidential and proprietary information of the Tribe and shall not be disclosed except as required under law or the terms of the Compact. The SGA or, as applicable, the Washington Horse Racing Commission, shall notify the Tribe, by certified mail, or by other mutually agreed upon means, of requests for disclosure of the Tribe's information and shall not disclose any such information until the Tribe, the State, or both have had a reasonable opportunity to challenge the request.

C. Investigations

(1) As appropriate under federal law and State law, one or more of the TGA, Tribal Law Enforcement, Non-Tribal Law Enforcement Agencies, and the SGA under RCW 9.46.210, will have concurrent jurisdiction to investigate violations of the provisions of the Compact and Gambling and Gambling-related crimes, and to bring administrative and criminal charges, in accordance with the Compact, and applicable Tribal and State laws and regulations. Notwithstanding the foregoing, the Tribe may refer the investigation of violations of federal law to federal authorities.

(2) The SGA will notify the TGA of any alleged violations of the provisions of the Compact and may request the TGA take appropriate enforcement and/or corrective action. If the TGA intends not to take the action recommended by the SGA, it shall set forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the TGA and the SGA shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XI.

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D. TGA Access to SGA Records

At the completion of any inspection or investigation, copies of the report will be forwarded to the TGA along with copies of evidence and information pertinent to the inspection or investigation. The TGA may inspect and copy records maintained by the SGA concerning Class III Gaming by the Tribe subject to any constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of a law enforcement intelligence sharing organization, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

E. Cooperation With TGA

(1) To maintain the partnership for enforcement of the provisions of the Compact, representatives of the TGA and the SGA will meet at least once every twelve (12) months to review the regulatory program for the Gaming Facilities.

(2) The SGA and, as applicable, the Washington Horse Racing Commission, will promptly notify the TGA or the Tribe of any activity suspected or occurring, whether within a Gaming Facility or not, which adversely affects State, Tribal, or public interests relating to the Gaming Facilities and Gaming Operation.

IX. JURISDICTION

A. Jurisdictional Issues Generally

Except as expressly set forth herein, nothing in the Compact is intended nor shall it confer upon the State or any other non-tribal entity any jurisdiction with respect to non-gaming related activities on Tribal Lands. Except as expressly set forth herein, and then only to the extent expressly set forth herein, the terms of the Compact do not constitute a waiver of sovereign immunity from unconsented lawsuit and any such waiver is and shall be deemed to be only a limited waiver solely for the purposes set forth in the Compact. The terms of such limited waiver of sovereign immunity shall be strictly construed.

B. Criminal Matters

(1) Investigative Authority. The TGA, Tribal Law Enforcement, Non-Tribal Law Enforcement Agencies, and the SGA under RCW 9.46.210, will have the authority to investigate and arrest, if necessary, such persons involved in any Gambling and Gambling-related crimes against the laws of the Tribe and applicable laws of the State that occur within the Gaming Facilities or within Tribal Lands, only in accordance with its respective jurisdictions.

(2) Jurisdictional Forums. Following investigation and arrest, formal charges may be brought in the appropriate venue. Criminal prosecution of Non-Indians will be through the proper state or federal courts. Criminal prosecution of Indians will be through the proper Tribal or federal court.

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C. Civil Matters

(1) Concurrent Jurisdiction. The TGA and the SGA have concurrent jurisdiction to investigate violations of the provisions of the Compact and to bring administrative charges in the appropriate forum, in accordance with Tribal Laws or the provisions of RCW 9.46 and WAC 230-17, made applicable by the Compact, against any Applicant and/or Individual that is licensed by the TGA, and/or holds a State Certification or is subject to Eligibility Determination, or Gaming Employee Registration or is licensed by the SGA in accordance with the provisions of the Compact.

(2) Tribal Jurisdiction. Civil disputes arising from the conduct of Gaming under the Tribal Gaming Code may be heard in Tribal court or appropriate administrative forum as established by the Tribal Gaming Code.

D. Sanctions and Civil Fines

The TGA and the SGA shall enter into a Memorandum of Understanding, which may be amended from time to time, to define the schedule and distribution of civil fines and sanctions.

E. Limited Application of State Criminal Law

For the purposes of 18 U.S.C. § 1166(d) and enforcing the provisions of the Compact, and of protecting the public health, safety and welfare, and to the extent not inconsistent with other provisions of the Compact, RCW 9.46.0245; 9.46.0269; 9.46.0364; 9.46.0368; 9.46.037; 9.46.038; 9.46.155; 9.46.160; 9.46.170; 9.46.180; 9.46.185; 9.46.190; 9.46.195; 9.46.196; 9.46.1961; 9.46.1962; 9.46.198; 9.46.212; 9.46.215; 9.46.217; 9.46.220; 9.46.221; 9.46.222; 9.46.225; 9.46.228 (1), (2), (4) & (5); 9.46.231; 9.46.235; 9.46.240; 67.04; 67.16; 67.24; 67.70; 74.08.580; 9A.52; 9A.56; 9A.60; 9A.68; 9A.82; 9A.83.020; 9.35.010; 9.35.020; as now or hereinafter amended, to the extent such amendments concern the same subject matter as the old statutory provisions, shall be applicable and incorporated herein as part of the Compact and the Tribe consents to this transfer of jurisdiction to the State with respect to Gaming on Tribal Lands.

F. Law Enforcement Coordination

In an attempt to foster a spirit of cooperation between the Tribal Law Enforcement and Non-Tribal Law Enforcement agencies authorized to enforce the criminal laws of the State, the Tribe, and those laws affecting the public health, safety and welfare of the surrounding communities, representatives of those law enforcement agencies may meet periodically to discuss mutual concerns and coordinate the enforcement actions necessary to minimize those concerns.

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G. Reporting Requirements

The Tribe shall cooperate with requests from the SGA to provide the information, on site and during regular business hours per Section VIII.B(1), required for the SGA's reporting requirements under RCW 9.46.090. If the Tribe determines that providing any specific information requested is inconsistent with its sovereignty and its need to protect its proprietary business information, the Tribe will not provide such information and will notify the SGA of such determination.

H. Preservation of Tribal Self-Government

Nothing in the Compact will be deemed to authorize the State:

(1) To regulate in any manner the government of the Tribe;

(2) To interfere with the Tribe's selection of its governmental officers, including officers, agents, or employees of the TGA; or

(3) To regulate or maintain any authority over any issue, matter, Individual, or the Tribe that is not specifically and affirmatively addressed by the Compact, any other law, or by agreement between the Parties.

X. REIMBURSEMENT FOR REGULATORY EXPENSES INCURRED BY THE STATE GAMING AGENCY

State regulatory fees were once fully addressed in Appendix X2, Section 13, but are now addressed in this Section X. Fees for State Certification, Employee Eligibility, and Registration are included in Appendix L, Section 2.

A. Set-up Fee

As part of the recoverable cost of regulating Tribal Lottery Systems under Appendix X2, the SGA shall be entitled to the reasonable cost of initially setting up such regulation ("Set-up Fee") of one hundred eighty-four thousand, eight hundred sixty-six dollars ($184,866). The Tribe paid its pro rata share of the Set-up Fee (i.e., dividing the entire amount due by the number of Eligible Tribes at the time such determination is made). In the event the Tribe paid the State Gaming Agency more than its pro-rata share of the Set-up Fee, it shall be reimbursed by way of future Regulatory Fee credits based on the collection by the State Gaming Agency of additional pro-rata payments from other Eligible Tribes, the addition of such tribes and resulting recalculation of the pro-rata amount per tribe, or both, as the case may be. The pro-rata amount per tribe shall be redetermined by the State Gaming Agency at least once a year to take into account the collection of further tribal pro-rata payments or the addition of new Eligible Tribes, and further credits due as a result thereof shall be applied to the next billing period.

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B. Annual Regulatory Fees

The Tribe agrees to pay its share of the State Gaming Agency's Actual Costs which are reasonably incurred in order to commence and carry out its regulatory functions with respect to the Tribe's Gaming under the Compact, through the payment of an annual "Regulatory Fee." For the sake of convenience and efficiency, the Regulatory Fee shall also include any Actual Costs which were incurred by the State Gaming Agency in connection with the Tribe's Class III Gaming. "Actual Costs" as used herein shall mean those costs that were reasonably incurred in order to protect the honesty and integrity of the Gaming being operated by the Tribe under, and to monitor the Tribe's compliance with, the Compact. Costs incurred in common for more than one tribe shall be allocated among such tribes. For purposes of this Section, prior years' Actual Costs shall be based on those such costs incurred for the twelve (12) months ending June 30. Regulatory Fees shall be calculated and paid as follows:

(1) Cost Allocation. Notwithstanding anything in the Compact to the contrary, the Regulatory Fees for all Class III Gaming activities under the Compact, shall be set by determining the cost of regulating the Tribe's Class III Gaming activities using the SGA's cost allocation model currently in use.

(2) Billing and Payment. The SGA shall notify the Tribe of the forthcoming Regulatory Fee at least forty-five (45) days prior to it becoming due. Regulatory Fees may be paid for an entire year in advance of the date on which the billing year commences (calendar year) or in no more than twelve equal monthly installments, each of which shall be due on the first day of each month, which monthly payments shall commence on the first day of the first month of the billing year, or within forty-five (45) days following notification of the amount of the forthcoming year's Regulatory Fee, whichever is later.

(3) Audit. The SGA shall send the Tribe an annual audited accounting of Actual Costs on or before April 30th of the following year.

(4) Revisions to State's Cost Allocation Model. The SGA may revise its cost allocation model, which shall become effective upon ninety (90) days' notice to the Tribe. If the Tribe disputes the revised model, the SGA and the Tribe shall meet and confer in an attempt to resolve the matter within thirty (30) days. If the Parties cannot resolve the dispute, the dispute resolution provisions set forth in Section X.C shall apply.

C. Regulatory Fee Disputes

If the Tribe disputes the State's determination of the Regulatory Fee, the Tribe shall pay no less than the amount of the fee which is not in dispute to the SGA when due and deposit the disputed amount into an escrow account that is restricted until such dispute is resolved. If the Tribe fails to make the required payment to the SGA or deposit into

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escrow, the State may pursue any of the remedies set forth in Section XI for the Tribe's alleged breach thereof.

D. Alternative Fee Agreements

Notwithstanding any other provision of the Compact, the TGA and the SGA may enter into an MOU regarding fees.

XI. DISPUTE RESOLUTION AND REMEDIES FOR BREACH OF COMPACT

A. Introduction

In recognition of, and consistent with, the government-to-government relationship of the Tribe and the State, the Parties shall make their best efforts to resolve disputes by good faith negotiations whenever possible. Therefore, the Parties hereby establish a method of non-judicial dispute resolution in order to foster a spirit of cooperation and efficiency in the administration and monitoring of performance and compliance by each other with the terms, provisions, and conditions of the Compact.

B. Dispute Resolution Alternatives

(1) Meet and Confer. In the event of a dispute or disagreement between the Parties regarding the implementation and compliance with any terms, conditions, and provisions of the Compact, or otherwise by mutual agreement of the Parties, disputes shall be resolved as follows:

(a) Either Party shall give the other, as soon as possible after the event giving rise to the concern, written notice setting forth the nature of the dispute (including reference to the relevant portions of the Compact), and the issues to be resolved.

(b) The Parties shall meet and confer in a good faith attempt to resolve the dispute through negotiation not later than twenty (20) business days from receipt of the notice.

(2) Mediation. If the dispute is not resolved to the satisfaction of either Party within twenty (20) business days of the first meeting, then the Parties, by agreement, may seek and cause to have the dispute resolved by formal mediation, in which event the Parties shall use their best efforts to select a mediator as soon as possible. The mediator's fees and attendant costs of mediation shall be borne equally by the Parties.

The Parties understand that informal and formal mediation may not always lead to satisfactory results. In the event either Party is dissatisfied with informal and/or formal mediation, they may seek judicial resolution of any disagreement relating to the administration, monitoring of performance and compliance with the terms,

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provisions and conditions of the Compact. However, the Parties are free under the Compact to agree to other alternative dispute resolution mechanisms.

(3) Standard Arbitration.

(a) In the event informal and/or formal mediation fails to resolve the dispute between the Parties, the Parties may choose by mutual agreement to resolve the dispute by arbitration. In no event may the request for arbitration be made earlier than twenty (20) business days after a Party has properly notified the other Party under the procedures set forth in Sections XI.B(1) and (2).

(b) Sites for such arbitrations shall alternate between Tribal Lands and the SGA or the Washington Horse Racing Commission offices, as applicable, after each arbitration dispute, as follows: the first arbitration dispute, until completed, shall be held on Puyallup Tribal Lands; the next arbitration dispute, until completed, shall be held at the SGA or the Washington Horse Racing Commission offices; and so forth.

(c) In the event the Parties agree to arbitration, the Tribe and the SGA or the Washington Horse Racing Commission, as applicable, shall, within five (5) business days, agree upon an arbitrator to decide the matter at issue or agree upon a procedure for the selection of an arbitrator. The Parties shall also agree on the rules, policies and procedures to be used in the arbitration.

(d) The arbitration, unless another date is stipulated to by the Parties, shall occur no later than fourteen (14) business days from the date an arbitrator is named. The arbitrator may, in their discretion, impose a case management schedule on the Parties to provide for reasonable time needed for discovery, fact gathering, expert witnesses, etc. Time periods shall be reasonable and necessary as required by the circumstances, without providing undue delay. In all circumstances, however, the arbitrator shall issue a final decision no later than one (1) year from the initial written request for arbitration. The Parties may, by mutual agreement, continue the mediation process set out in Section XI.B(2) until the arbitration begins.

(e) The decision of the arbitrator shall be final for the purpose of concluding the non-judicial phase of the arbitration process, but the final decision of the arbitrator may be subject to judicial review.

(f) The arbitrator shall, consistent with the Compact, have the power to impose fines only as consistent with Section IX.D and award equitable relief in their discretion and as the circumstances warrant.

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(g) Each Party to the arbitration shall bear its own costs and attorney fees, and the costs of the arbitrator(s) shall be borne equally by the Parties.

C. Injunction Against the State

The Tribe may bring an action to seek injunctive or other relief against the State, whether against the SGA or the Washington Horse Racing Commission, if the Tribe determines that the State is in breach or default or is otherwise acting contrary to or failing to act in the manner required by the provisions of the Compact. Such action will be brought in the U.S. District Court for the Western District of Washington, pursuant to RCW 9.46.36001. Prior to bringing such action, the Tribe will notify the State and the SGA of the alleged violation(s). For purposes of this remedy, the State consents to this suit and waives any defense it may assert by way of its sovereign immunity.

D. Injunction Against the Tribe, the Gaming Operation, or any Individual

The State may bring an action to enjoin the Tribe, the Gaming Operation, or any Individual if the State determines that any Gaming authorized by the provisions of the Compact is being conducted in violation of the provisions of the Compact, or if any Class III Gaming activity is being conducted on Tribal Lands in violation of the provisions of the Compact. Such action will be brought in the U.S. District Court for the Western District of Washington, pursuant to 25 U.S.C. § 2710(d)(7)(A)(ii). Prior to bringing such action, the State will notify the Tribe of the alleged violation(s). For purposes of this remedy, the Tribe consents to this suit and waives any defense it may assert by way of its sovereign immunity.

E. Limited Waiver of Sovereign Immunity

The Tribe and the State agree and understand that waivers of sovereign immunity defenses must be express and unambiguous and are narrowly construed. Nothing contained in the Compact shall be construed or interpreted to be a consent, grant, or waiver of any sovereign right or immunity either the Tribe and/or its citizens or the State enjoy, except as expressly provided hereinafter:

(1) The Tribe hereby agrees to a limited waiver of sovereign immunity from unconsented suit for the sole purpose, and no other purpose, of consenting to the suits specified in Section XI.B, such waiver to be in effect only so long as the Compact is in effect, but in no event shall the limited waiver be construed to allow for monetary relief against the Tribe, except to the extent it is for the payment of fines and sanctions under Section IX.D, and in such case, against only the revenues from the Gaming Facility or from the sale of Gaming-related assets.

(2) The State and the SGA represent and acknowledge that the State has waived its sovereign immunity with respect to suits interpreting or enforcing any contract to which the State and/or its subordinate agencies have entered into with a private party, which includes an Indian tribe. In addition, the State and the SGA represent

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and acknowledge that the State has waived its immunity from those suits as set forth in RCW 9.46.36001. Notwithstanding such statutory waivers of immunity, the State hereby reiterates and agrees to a limited waiver of sovereign immunity for the sole purpose, and no other purpose, of consenting to the suits specified in Sections XI.B and XI.C, and any other suits set forth in RCW 9.46.36001, such waivers to be in effect only so long as the Compact is in effect.

F. References

The Parties are aware that some sections of the Compact contain an explicit reference to Section XI in the event a dispute arises under that section. Notwithstanding such explicit references, and with respect to all other sections of the Compact, it is the Parties' intent that any dispute of whatever kind, type, or nature arising under the Compact shall be subject to the provisions of Section XI.

XII. LIMITATION OF LIABILITY

Neither the Tribe nor the State are creating, or intending to create, any rights in third parties which would result in any claims of any nature whatsoever against the Tribe or the State as a result of the Compact. Neither the Tribe nor the State have waived their immunity from third party suits or claims of any kind or nature whatsoever against them, and nothing contained in the Compact shall be construed to effect a waiver, in whole or in part, of said immunity.

XIII. EFFECTIVE DATE, DURATION, AND AMENDMENTS

A. Effective Date

The Compact will be effective upon publication of notice of approval by the Secretary of the Interior of the United States in the Federal Register in accordance with 25 U.S.C. § 2710(d)(3)(B).

Absent provisions to the contrary contained herein, any Internal Controls, game rules, Memoranda of Understanding, and similar documents agreed to and in effect as of the date of the publication of the Seventh Amendment, which Amendment consists of the Compact and accompanying appendices, are to remain in full force and effect unless and until they are subsequently modified pursuant to the process set forth in the Compact.

B. Voluntary Termination

The Compact will be in effect until terminated by written agreement of both Parties, under the provisions of IGRA. Provided that if the Tribe wishes to unilaterally terminate the Compact, the Tribe will provide written notice to the Governor of the State sixty (60) days prior to termination of the Compact. Suspension of or an injunction against Class III Gaming activities will not constitute termination for the purpose of this Section. Provided further, State jurisdiction under the Compact shall continue until the completion of any pending investigation or court action.

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C. Subsequent Negotiations

Nothing in the Compact will be deemed to waive the right of the Tribe to request negotiations for a Tribal – State Compact with respect to a Class III Gaming activity which is to be conducted on Tribal Lands, but is not permitted under the provisions of the Compact, including forms of Class III Gaming which were not permitted by the State for any purpose by any person, organization, or entity at the time when the Compact was negotiated or amended but are subsequently so permitted by the State, in accordance with 25 U.S.C. § 2710(d)(3)(A).

D. Changes to State Law

If the laws of the State authorizing the activities set forth herein as Class III Gaming activities are repealed, thereby prohibiting such Gaming for any purpose by any person, organization or entity, it is the State's position that the provisions of the Compact providing for such Gaming would not be authorized and the continued operation of such Gaming would constitute a violation of the Compact for which the State could bring an action in Federal District Court pursuant to 25 U.S.C. § 2710(d)(7)(A)(ii).

It is the Tribe's position that, as a sovereign nation, it has the inherent right to engage in Gaming activities within its own territorial jurisdiction and that the Compact is entered into only for purposes of complying with IGRA. The Tribe disagrees that such subsequent State legislation as described above would have this effect under IGRA and the Compact, but does agree that the stated forum is the appropriate forum for the purpose of litigating the issue.

Notwithstanding any other provisions of the Compact, if the laws of the State authorizing any Class III Gaming activities are so repealed, the State may bring an action as set forth above only after it provides twenty (20) business days' written notice to the Tribe of the State's intention to bring such action and affords the Tribe a reasonable opportunity to meet and confer with the State in a good faith attempt to resolve the issue(s) intended to be addressed by such action.

E. Clarification, Amendments, and Renegotiations

(1) Compact Clarification. The Parties recognize that circumstances may arise in the implementation, operation, and regulation of Class III Gaming that require clarification of Compact provisions. For such mutually agreed-upon clarification(s), the State and the Tribe will execute and sign a Memorandum of Understanding that will be attached to and made part of the Compact.

(2) Amendments. Either Party may, in writing, request renegotiation of any of the provisions of the Compact consistent with the requirements of IGRA and its implementing regulations and RCW 9.46.360. The mutual agreement of both Parties achieved through renegotiations will be documented in an amendment.

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The terms and provisions of the Compact will remain in effect unless and until the Parties agree on the renegotiated terms.

(3) Amending Nature and Scope. The terms and conditions of the Compact related to the nature and/or scope of Class III Gaming shall be amended upon written notice and request by the Tribe to the State if and when:

(a) The laws of the State are amended, expanding Gaming beyond that which is now allowed under the terms of the Compact; or

(b) A State or federal court within the State of Washington or a Federal court interpreting the laws of the State of Washington issues a final and un-appealable decision permitting participation in a Gaming activity that was not authorized for any purpose by any person, organization, or entity at the time the Compact was executed or not authorized by the Compact; or

(c) Federal legislation authorizes the operation of or participation in Gaming activity that was not authorized at the time the Compact was executed or was not authorized by the Compact and is not prohibited under State law.

(d) Notwithstanding any other provision of the Compact to the contrary, in the event that the State enters into or amends a compact with another tribe and such agreement gives any such tribe more Gaming Facilities, activities, stations, or higher wager limits, more hours of operation, or otherwise approves a compact or amendment to a compact which gives such tribe an expansion of terms, then the Compact shall, in the Tribe's discretion, be amended automatically to maintain equality and the amendment documented in a memorandum of incorporation provided to the State.

(4) State Authorization of Additional Class III Gaming Activities. In the event the State hereafter authorizes any additional Class III activity, the Tribe is authorized to conduct such activity prior to completion of the subsequent negotiations as provided in the Compact if such activity is conducted in accordance with all of the limitations, regulations, and requirements of the State.

(5) Process and Negotiation Standards. The Parties will confer and the required negotiations will commence within thirty (30) days of a request to amend or renegotiate. All matters involving negotiations or other amendatory processes under Section XIII will be otherwise governed, controlled, and conducted in conformity with the provisions and requirements of RCW 9.46.360 and 25 U.S.C. § 2710(d), except in sections where a different resolution is specifically provided in the event of an unsettled dispute or where agreement is not reached by the Parties.

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XIV. NOTICES

All notices required or authorized to be served will be in writing and will be sent by first class or priority mail or be delivered by other expedited service to the following addresses, which can be updated with advance notification to all Parties:

Tribal Chair
Puyallup Tribe of Indians
3002 Duct Cho St.
Tacoma, Washington 98404

Director, Law Office
Puyallup Tribe of Indians
3002 Duct Cho St.
Tacoma, Washington 98404

Director, Puyallup TGA
Puyallup Tribe of Indians
5580 Pacific Highway East, Suite C
Fife, Washington 98424-2601

Governor
State of Washington
P.O. Box 40002
Olympia, Washington 98504-0002

Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, Washington 98504-2400

XV. SEVERABILITY

In the event that any section or provision of the Compact is held invalid by a court of law, or arbitrator(s), or its application to any particular activity is held invalid by a court of law, or arbitrator(s), it is the intent of the Parties that the remaining sections of the Compact and the remaining applications of such section or provision will continue in full force and effect.

IN WITNESS WHEREOF, the Puyallup Tribe of Indians and the State of Washington have executed the Compact.

THE PUYALLUP TRIBE OF INDIANS

By: _____
BILL STERUD
Chairman, Puyallup Tribe of Indians

DATED: _____

STATE OF WASHINGTON

By: _____
BOB FERGUSON
Governor

DATED: _____

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX A
(AMENDED AND RESTATED)

STANDARDS OF OPERATION AND MANAGEMENT FOR CLASS III ACTIVITIES

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APPENDIX A

STANDARDS OF OPERATION AND MANAGEMENT FOR CLASS III ACTIVITIES

SECTION 1 INTRODUCTION

This Appendix contains minimum standards of operation ("Standards") for Class III Gaming activities. Additional standards governing specific activities may be found in each activity's respective Appendix, such as Satellite (Off-Track) Wagering on Horse Races, Electronic Table Games, Sports Wagering, Wide Area Progressives, and Tribal Lottery Systems. Specific procedures will be handled as documented in the Compact, these Standards, and further detailed in the Gaming Operation's system of accounting and Internal Controls.

SECTION 2 DEFINITIONS

Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

SECTION 3 ALTERNATIVE CONTROL PROVISIONS

The Tribe may choose an alternative method to automate any processes, reports, or data collection in this Appendix when approved by mutual agreement of the TGA and the SGA as set out in Compact Section VII.A. Provided that the TGA certifies how the automation maintains the integrity of the Gaming Operation, reduces the dangers of unfair or illegal practices in conducting Class III Gaming, adequately preserves and protects the integrity and security of the control, and complies with the Compact. This section cannot be used to modify other sections of the Compact.

SECTION 4 SYSTEM OF ACCOUNTING AND INTERNAL CONTROLS

4.1 The Gaming Operation shall have a system of accounting and Internal Controls that includes the following:

4.1.1 Administrative control, which includes but is not limited to the plan of organization including an organizational chart, job descriptions, or comparable information, and the procedures and records that are concerned with the decision processes leading to management's authorization of transactions; and

4.1.2 Accounting control which includes the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability

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of financial records and are consequently designed to provide reasonable assurance that:

(a) Transactions are executed in accordance with the management's general and specific authorization which shall include the requirements of these Standards;

(b) Transactions are recorded as necessary to permit preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) and with these Standards, and to maintain accountability for assets;

(c) Access to assets is permitted only in accordance with management's authorization which shall include the requirements of these Standards; and

(d) The recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

4.2 The Gaming Operation's system of accounting and Internal Controls shall provide for:

4.2.1 Competent personnel with an understanding of prescribed procedures; and

4.2.2 The segregation of Incompatible Functions so that no employee is in a position to perpetrate and conceal errors or irregularities in the normal course of their duties.

4.3 Before new or modified controls are implemented they must be approved in accordance with Compact Section VII.A.

SECTION 5 ADOPTION OF RULES FOR CLASS III ACTIVITIES

Game rules will be submitted in accordance with Compact Section IV. Game rules approved by the TGA shall include:

5.1 Procedures of play;

5.2 Minimum and maximum permissible wagers;

5.3 Shuffling, cutting, and dealing techniques, as applicable;

5.4 Payout odds or prizes, including any payout limitations, on each form of wager;

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5.5 Procedures to be followed on occurrence of irregularities, including definition of irregularities as applicable to each game;

5.6 Prohibition on side betting between and against Players, and/or the house;

5.7 Prohibition on side betting between Patrons against the Players and/or the House; and

5.8 Specifications provided by the equipment manufacturer or supplier applicable to Gaming equipment:

5.8.1 Physical characteristics of chips; and

5.8.2 Physical characteristics of the following:

(a) Authorized Class III Gaming tables;

(b) Table layouts;

(c) Roulette wheels or any wheels used in the play of a game;

(d) Roulette ball or any balls used in the play of a game;

(e) Cards (including procedures for receipt, storage, and destruction);

(f) Dice (including procedures for receipt, storage, and destruction);

(g) Dealing shoes (including procedures for receipt and storage);

(h) Shuffle machines;

(i) Keno Systems;

(j) Progressive computers and displays;

(k) Such other equipment as may be required for use in authorized Class III activities.

SECTION 6 PROGRESSIVE AND PLAYER SUPPORTED JACKPOTS

6.1 Unless governed by Appendix W (Rules for Governing Wide Area Progressives), any progressive or jackpot prizes available on Class III Gaming activities will be submitted as part of game rules in accordance with Compact Section IV and Appendices.

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6.2 Rules submissions submitted under Compact Section IV will include how each Gaming Operation accounts for funds collected from each jackpot or progressive jackpot, and how funds are accrued.

6.3 Summaries of the rules posted for Patrons required by Compact Section VII.B include how funds are accrued and prizes available.

6.4 If the Gaming Operation discontinues a progressive or Player supported jackpot, they must distribute the funds to the Patrons:

6.4.1 Within sixty (60) days;

6.4.2 The balance, less any seed money or money contributed by the Gaming Operation; and

6.4.3 In a method approved by both the TGA and the SGA, to include:

(a) offering a drawing;

(b) transferring the funds to another jackpot;

(c) offering as a prize on an approved tournament; or

(d) other method of distribution that returns the balance to the Patrons.

SECTION 7 ACCOUNTING RECORDS

7.1 The Gaming Operation shall maintain complete accurate and legible records of all transactions relating to the revenues and costs of the Gaming Operation.

7.2 General accounting records shall be maintained on a double entry system of accounting with transactions recorded on an accrual basis, and detailed, supporting, subsidiary records sufficient to meet the requirements of Section 7.4.

7.3 The forms of accounts adopted should be of a standard form which would ensure consistency, comparability, and effective disclosure of financial information.

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7.4 The detailed, supporting, and subsidiary records shall include, but not necessarily be limited to:

7.4.1 Statistical game records to reflect Drop and Win or Loss amounts for each Class III game in the Gaming Operation, and for each operational Gaming day shift ("Win or Loss" means the determination by adding the amount of Cash, the amount recorded on the Closer, and the total of the amounts recorded on Credits and subtracting the amount recorded on the Opener and the total of the amounts recorded on Fills removed from a Drop Box);

7.4.2 Investments in property and services, including equipment used in connection with the operation of Class III Gaming;

7.4.3 Records of amounts payable by the Gaming Operation; and

7.4.4 Records which identify the purchase, receipt, and destruction of Gaming chips used in wagering.

SECTION 8 FORMS, RECORDS, DOCUMENTS, AND RETENTION

8.1 All information required by these Standards to be placed on a form, record, or document shall be recorded in ink or stored in another permanent format.

8.2 Whenever duplicate or triplicate copies are required of a form, record, or document:

8.2.1 The original, duplicate, and triplicate copies shall be color-coded, unless digitally or electronically generated;

8.2.2 Where under these Standards, forms, records, and documents are required to be inserted in a locked dispenser, the last copy shall remain in a continuous unbroken form in the dispenser;

8.2.3 Where, under these Standards, forms or serial numbers are required to be accounted for or copies of forms are required to be compared for agreement and exceptions noted, such exceptions shall be reported immediately in writing to the TGA for investigation; and

8.2.4 These forms, records, or documents may be digitally or electronically generated and stored as data.

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8.3 Unless otherwise specified in these Standards, all forms, records, documents, and stored data shall have the title imprinted or pre-printed or saved thereon or therein.

8.4 Unless otherwise specified in these Standards, all forms, records, documents, and stored data required to be prepared, maintained, and controlled, shall be located on Tribal Lands or such other location as is approved by the TGA. The records shall be stored in a manner that assures reasonable accessibility to the TGA and the SGA.

8.5 Unless otherwise specified in these Standards, all records shall be kept for a period not less than two (2) years from their respective dates. If not dated, then for two (2) years from their time of creation.

SECTION 9 ANNUAL AUDIT AND OTHER REPORTS

9.1 At the close of the fiscal year, the Gaming Operation shall, at its own expense, have its annual financial statements audited in accordance with generally accepted auditing standards by an Independent Accountant.

9.2 The annual financial statements shall be prepared in a comparative basis for the current and prior fiscal year and shall present the financial position and results of operations in conformity with GAAP.

9.3 The Gaming Operation shall require its Independent Accountant to render the following reports:

9.3.1 The audited financial statements, together with the report thereon of the Gaming Operation's Independent Accountant.

9.3.2 A report on material weakness in accounting and Internal Controls. Whenever, in the opinion of the Independent Accountant, there exists no material weaknesses in accounting and Internal Controls, the report shall say so; and

9.3.3 A report expressing the opinion of the Independent Accountant that, based on their examination of the financial statements, the Gaming Operation has followed, in all material respects, during the period covered by their examination, the system of accounting and Internal Controls on file with the TGA. Whenever, in the opinion of the Independent Accountant, the Gaming Operation has deviated from the system of accounting and Internal Controls filed with the TGA, or the accounts, records, and control procedures examined are not maintained by the Gaming Operation in accordance with the Compact and these Standards, the

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report shall enumerate such deviations regardless of materiality, the area(s) of the system no longer considered effective and shall make recommendations in writing regarding improvements in the system of accounting and Internal Controls.

9.4 The reports required by Section 9.3 and the other reports on accounting and Internal Controls, administrative controls, or other matters relating to the Gaming Operation's accounting or operating procedures rendered by the Gaming Operation's Independent Accountant, shall be filed with the TGA by the Gaming Operation within one hundred twenty (120) days following the end of each fiscal year or within thirty (30) days of receipt, whichever is earlier. Notification will be sent to the SGA not later than one hundred twenty (120) days following the end of the fiscal year when these statements are available for review. Provided, extensions may be granted for extenuating circumstances by the TGA.

SECTION 10 ORGANIZATION OF THE GAMING OPERATION

10.1 The Gaming Operation shall, at a minimum, establish the following departments:

10.1.1 A gaming operations department, supervised by the Chief Operating Officer, which shall perform independently of all other departments and shall report directly to the Chief Executive Officer. The gaming operations department shall be responsible for the operation and conduct of all Gaming activities in a Gaming Facility or Premises as authorized.

10.1.2 A Security Department, supervised by the Director of the Security Department, which shall cooperate with, yet perform independently of, all other departments and shall report directly to the Chief Executive Officer regarding matters of policy, purpose, and responsibilities. The Security Department shall be responsible for, but not limited to, the following:

(a) The physical safety of all Patrons and employees, as well as their property;

(b) The physical safety of the Gaming Facility and assets of the Gaming Operation, to include Keys, as provided in the Gaming Operation's Internal Controls as approved by the TGA;

(c) The transfer of assets to and from the Cashier's Cage and the Gaming activities, as authorized by the TGA; and

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(d) The physical control of Gaming equipment inventories. Such inventories shall specifically include cards, dice, shoes, and other Gaming equipment deemed appropriate. The Security Department shall control the receipt, storage, issuance, collection, disposition, and/or destruction of the same, subject to oversight by operations management and as authorized by the TGA.

10.1.3 A Surveillance Department, supervised by the Surveillance Department manager, who shall cooperate with, yet perform independently of all other departments and shall report directly to the Chief Executive Officer or the TGA director, as determined by the Tribe, regarding matters of policy, purpose, and responsibilities. The Surveillance Department will provide complete and total access of surveillance activities and information to the TGA.

(a) The Surveillance Department shall be responsible for, but not limited to, the following:

(i) The clandestine surveillance of the Gaming Operation and conduct of the Gaming activities;

(ii) The clandestine surveillance of the operation of the Cashier's Cage;

(iii) The video and audio recording of activities in the Count Room;

(iv) The detection of cheating, theft, embezzlement, and other illegal activities in the Gaming Operation and within the Gaming Facility, Count Room, and the Cashier's Cage;

(v) The video recording of illegal and unusual activities monitored; and

(vi) The immediate notification to the TGA upon the detection and recording of cheating, theft, embezzlement, or other illegal activities, and when appropriate, to Gaming Operation's Supervisors.

(b) No present or former Surveillance Department employee shall be employed in any other capacity in the Gaming Facility or Gaming

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Operation unless the TGA, upon written petition, approves such employment in a particular capacity upon a finding that:

(i) One (1) year has passed since the former Surveillance Department employee worked in the Surveillance Department;

(ii) Surveillance and security systems will not be jeopardized or compromised by the proposed employment of the former Surveillance Department employee in the capacity proposed; and

(iii) Errors, irregularities, or illegal acts cannot be concealed or perpetrated by the former Surveillance Department employee's knowledge of the Closed Surveillance System in the capacity in which the former Surveillance Department employee will be employed.

10.1.4 An Accounting Department, which shall have a director who will cooperate with, yet perform independently of, all other departments and report directly to the Chief Financial Officer. The Accounting Department will be responsible for, but not be limited to, the following:

(a) Accounting controls;

(b) The preparation and control of records and data required by these Standards; and

(c) The control of stored data, the supply of unused forms, the accounting for and comparing of forms used in the Gaming Operation and required by these Standards.

10.1.5 A Cashier's Cage supervised by the Cashier's Cage director who shall supervise Cage Cashiers and cooperate with, yet perform independently of, all other departments, and shall be under the supervision of, and report directly to the Chief Financial Officer. The Cashier's Cage shall be responsible for, but not limited to, the following:

(a) The custody of currency, coin, Patrons' checks, Gaming chips, and documents and records normally associated with the operation of a Cashier's Cage;

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(b) The approval, exchange, redemption, and consolidation of Patrons' checks received for the purpose of Gaming in conformity with the Gaming Operation's Standards;

(c) The receipt, distribution and redemption of Gaming chips in conformity with these Standards; and

(d) Such other functions normally associated with the operation of a Cashier's Cage.

10.1.6 An Information Technology Department with limited administrative access to electronic equipment and information systems for the purpose of technical support, supervised by the director of the Information Technology Department, who shall cooperate with, yet perform independently of, all other departments and shall report directly to the Chief Executive Officer regarding matters of policy, purpose, and responsibilities. For purposes of this section, limited administrative access means troubleshooting any issues within the system; patching, updating, and keeping the system secure; administrative support for information technology issues; verifying that back-ups of data are proceeding as normal; and monitoring the health of the network/system infrastructure. The Information Technology Department shall be responsible for, but not limited to, the following:

(a) Understanding the complex role of technology in the Gaming Facility and within the Gaming Operation;

(b) Ensuring information technology functions for electronic equipment and information systems throughout the Gaming Facility and within the Gaming Operation are separated into distinct job duties to prevent an Information Technology Department employee or Gaming Operation Employee from creating Incompatible Functions, harming, manipulating, concealing, or damaging an operational system or the services it provides, whether by an accidental act, omission, or intentional act; and

(c) No present or former Information Technology Department employee shall be employed in any other capacity in the Gaming Operation or Gaming Facility unless the TGA, upon written petition, approves such employment in a particular capacity upon a finding that:

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(i) The Gaming Facility's and Gaming Operation's electronic equipment and information systems will not be compromised; and

(ii) Incompatible Functions, errors, irregularities, or illegal acts cannot be concealed or perpetrated.

10.2 Gaming Operation personnel shall be trained in all accounting and Internal Controls practices and procedures relevant to each employee's individual function. Special instructional programs shall be developed by the Gaming Operation in addition to any on-the-job instruction sufficient to enable all members of the departments required by this Standard to be thoroughly conversant and knowledgeable with the appropriate and required manner of performance of all transactions relating to their function.

SECTION 11 GAMING OPERATION CLOSURE

11.1 The Gaming Operation will document in Internal Controls the process and procedures for any unplanned closure of any Gaming Facility, which at a minimum shall include:

11.1.1 When and how to notify Patrons of the closure, re-opening, and redemption options;

11.1.2 When and how Patrons can redeem open Player Accounts or outstanding Gaming chips or vouchers; and

11.1.3 A plan for honoring vouchers with expiration dates impacted by the closure.

SECTION 12 CASHIER'S CAGE

12.1 As part of the Gaming Operation there shall be on or immediately adjacent to the Gaming floor a physical structure known as the Cashier's Cage to house the Cage Cashiers and to serve as the central location for the following:

12.1.1 The custody of the Cashier's Cage inventory comprising currency, coin, Patrons' checks, Gaming chips, forms, documents, and records normally associated with the operation of a Cashier's Cage;

12.1.2 The approval of Patrons' checks for the purpose of Gaming in conformity with these Standards;

12.1.3 The receipt, distribution, and redemption of Gaming chips in conformity with these Standards; and

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12.1.4 Such other functions normally associated with the operation of a Cashier's Cage.

12.2 As part of the Cashier's Cage there may be a separate physical structure known as satellite Cashier's Cage(s) located on or immediately adjacent to the Gaming floor which can include, but are not limited to, keno, Off-Track Betting, Sports Wagering, or Tribal Lottery System cashiers who:

12.2.1 Buy and sell keno tickets, Off-Track Betting vouchers, Sports Wagering Vouchers, and/or Tribal Lottery System vouchers; and

12.2.2 Such other functions normally associated with the operation of a Cashier's Cage.

12.3 The Gaming Operation shall have, in addition to the funds normally maintained by the Cashier's Cage, a reserve Cash bankroll on hand in the Cashier's Cage or readily available to the Cashier's Cage at the opening of every shift, in a minimum amount established by the Gaming Operation.

12.4 Each Cashier's Cage will be designed and constructed to provide maximum security including, at a minimum, the following:

12.4.1 A partially enclosed structure except for openings through which items such as Gaming chips, checks, Cash, records, and documents can be passed to service the public and Gaming Stations;

12.4.2 A manually triggered silent alarm system connected to the monitoring rooms of the Closed Surveillance System, the Security Department office, and the Tribal Police Department;

12.4.3 Access through a locked door; and

12.4.4 Surveillance coverage which will be monitored by the Surveillance Department.

12.5 The Gaming Operation will place on file with the TGA the names of all persons authorized to enter the Cashier's Cage, those who possess the combination or the Keys or who control the mechanism to open the locks securing the entrance to the Cashier's Cage, and those who possess the ability to operate the alarm systems.

12.6 The Cashier's Cage shall be responsible for establishing procedures and controls necessary to comply with the Bank Secrecy Act, 31 U.S.C. § 5311, *et seq.*, as now or hereafter amended.

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SECTION 13 ACCOUNTING CONTROL WITHIN THE CASHIER'S CAGE

13.1 The assets for which the Cage Cashiers are responsible shall be maintained on an Imprest Basis; provided, the Cashier's Cage may operate on a float basis if documented in the system of accounting and Internal Controls and approved by the TGA. At the end of each shift, the Cage Cashiers assigned to the outgoing shift shall record on a Cage Cashier's count sheet the face value of each Cage inventory item counted and the total of the opening and closing Cage inventories and will reconcile the total closing inventory with the total opening inventory.

13.2 Cage Cashiers' functions will be, but are not limited to, the following:

13.2.1 Receive currency, coin, checks, Gaming chips, vouchers, or Cash Equivalents from Patrons for, Gaming chip consolidations, total or partial redemptions, or substitutions;

13.2.2 Receive documentation with signatures thereon, required to be prepared for the effective segregation of functions in the Cashier's Cage;

13.2.3 Process Fills and Credits by exchanging chips, currency, coin, and paperwork as authorized in these Standards;

13.2.4 Receive currency and coin from Count Rooms and Kiosks;

13.2.5 Prepare the overall Cashier's Cage reconciliation and accounting records; and

13.2.6 Perform such other functions as necessary to ensure proper accountability consistent with these Standards.

13.3 Cage Cashier's signatures from the incoming and outgoing shifts attesting to the accuracy of the information will be at a minimum on the following sheets: the Cage Cashier's count sheet, the Fill bank closeout sheet, and the main bank closeout sheet.

13.4 At the conclusion of Gaming activity each day, at a minimum, copies of the cashier's count sheet, reconciliation, fill bank, main bank, and related documentation, will be forwarded to the Accounting Department for agreement of opening and closing inventories, and agreement of amounts thereon to other forms, records, and documentation required by these Standards or for the recording of transactions.

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SECTION 14 DROP BOXES AND CASSETTES

14.1 In the Gaming Facility, each Gaming Station and Player Terminal will have attached to it a container known as a Drop Box. All Cash, vouchers, duplicate Fills and Credits, Requests for Fills and Credits, station inventory forms, and other forms will be deposited in a Drop Box. Gaming Stations will have metal Drop Boxes. Each Player Terminal will have either plastic or metal Drop Boxes. Each Kiosk and Sports Wagering Kiosk will have within it a container known as a Cassette. Each Cassette will contain Cash and coins.

14.2 Drop Box and Cassette requirements:

14.2.1 Each Drop Box and Cassette will have one separate lock securing the contents placed into the Drop Box or Cassette, the Key to which will be different from any other Key;

14.2.2 Drop Boxes will have a separate lock and Key to secure a Drop Box to a Gaming Station or a Player Terminal, a Key that must be different from the Key described in Section 14.2.1.

Cassettes will have a separate lock and Key to secure a Cassette in each Kiosk and Sports Wagering Kiosk, a Key that must be different from the Key described in Section 14.2.1.;

14.2.3 For each Drop Box, there will be an opening through which currency, coins, forms, records, and documents can be inserted;

(a) Permanently imprinted or impressed thereon, and clearly visible, a number corresponding to a distinct number on the Gaming Station, Player Terminal, Kiosk, or Sports Wagering Kiosk to which either the Drop Box or Cassette is attached, and a marking to indicate game, table number, Player Terminal, Kiosk, or Sports Wagering Kiosk, and shift.

(b) Emergency Drop Boxes or Cassettes may be maintained without such number or marking, provided the word "Emergency" is imprinted or impressed thereon and, when put into use, are temporarily marked with the number of the Gaming Station, Player Terminal, Kiosk, or Sports Wagering Kiosk and identification of the game and shift.

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14.2.4 The Gaming Operation may use alternative Drop Box or Cassette labels which can electronically store the identification number of the device or Gaming Station to which it is attached.

(a) In the event barcodes are used, a distinct barcode will be attached on each Drop Box or Cassette that, when scanned, assigns to that Drop Box or Cassette the date, shift, and number that corresponds to a permanently marked number on the Gaming Station, Player Terminal, Kiosk, or Sports Wagering Kiosk to which it is attached.

(b) In the event "smart cans" are used, the Gaming Station, Player Terminal, Kiosk, or Sports Wagering Kiosk number will be maintained on a chip located in each individual smart can Drop Box or Cassette. This Gaming Station, Player Terminal, Kiosk, or Sports Wagering Kiosk number will be tracked and may be cleared and reset in a manner and a form acceptable to the TGA and documented in the Gaming Operation's system of accounting and Internal Controls.

14.3 The Key utilized to unlock the Drop Boxes or Cassettes from the Gaming Stations, Player Terminals, Kiosk, or Sports Wagering Kiosk will be maintained and controlled by the Security Department.

14.4 The Key to the lock securing the contents of the Drop Boxes and Cassettes will be maintained and controlled by the TGA.

SECTION 15 DROP BOXES AND CASSETTES TRANSPORTATION AND STORAGE

15.1 All Drop Boxes or Cassettes removed from the Gaming Stations, Player Terminals, Kiosks, or Sports Wagering Kiosks will be transported, at a minimum, by one Security Department Employee and one employee of the Gaming Operation and secured in the Count Room at the completion of the Drop. A Tribal Gaming Agent will be required to be on the Gaming floor while Drop Boxes and Cassettes are removed.

15.2 All Drop Boxes and/or Cassettes not attached to a Gaming Station, Player Terminal, Kiosk, or Sports Wagering Kiosk will be stored in the Count Room in an enclosed storage cabinet or trolley and secured in such cabinet or trolley by a separately keyed, double locking system. The Key to one lock will be maintained and controlled by the

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Security Department and the Key to the second lock will be maintained and controlled by the TGA.

15.3 Drop Boxes, when not in use during a shift, may be stored on the Gaming Stations provided that there is adequate security. If adequate security is not provided during this time, the Drop Boxes will be stored in the Count Room in an enclosed storage cabinet or trolley as required in Section 15.2.

15.4 In the event an emergency Drop for the Tribal Lottery System occurs during the Soft Count process, empty and full Drop Boxes and/or Cassettes may be stored temporarily in the Cashier's Cage under the same Key requirements in Section 15.2, and under surveillance camera requirements. At the conclusion of the Soft Count process, all Drop Boxes will be relocated into the Count Room.

SECTION 16 CHECKS AND CREDIT CARDS

16.1 Except as otherwise provided in this section or Compact Section III.J, no employee of the Gaming Operation, and no person acting on behalf of or under any arrangement with the Gaming Operation, will make any loan, or otherwise provide or allow any person any credit or advance of anything of value or which represents value to enable any person to take part in Gaming activity as a Player.

16.2 The acceptance of Patrons' checks, paper or electronic, is allowed in accordance with normal commercial practices.

16.2.1 Withholding checks received from any deposit is considered an unauthorized extension of credit.

16.2.2 Records will be maintained documenting all dishonored checks until paid in full. The records must include, at a minimum, the person's name, check amount, date dishonored, and any amounts paid against the balance.

16.2.3 If a check is dishonored, the person shall be prohibited from submitting any future check until the amount owed to the Gaming Operation is paid in full. If the Gaming Operation uses a check guarantee and collection service, this Section 16.2.3 would not apply unless the Gaming Operation chooses not to use their guarantee service to pre-approve a particular check.

16.2.4 Checks converted to electronic checks shall have a receipt for the Cage Cashier to reconcile their bank.

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16.3 All electronic checks exchanged at a check cashing kiosk shall be:

16.3.1 Pre-approved through an outside guarantee company;

16.3.2 Recorded by the check cashing system software, which is audited on at least a weekly basis; and

16.3.3 Have evidence of the electronic check transaction maintained in accordance with retention requirements.

16.4 Cash advances on Patrons' credit cards or bank cards in accordance with normal commercial practices are allowed.

SECTION 17 ACCEPTANCE OF GRATUITIES FROM PLAYERS AND PATRONS

17.1 No Gaming Employee working in management, supervision, accounting, security, or surveillance shall solicit or accept any tip or gratuity from any Player, Patron, or Gaming Employee.

17.2 No Gaming Employee working in management, supervision, accounting, security, or surveillance shall offer, give, or provide any tip or gratuity to any Gaming Employee working in management, supervision, accounting, security, or surveillance.

17.3 The Gaming Operation shall establish a procedure for accepting and accounting for all tips received by those Gaming Employees who are permitted to accept tips.

SECTION 18 GAMING STATION INVENTORY REQUIREMENTS AND PROCEDURES

18.1 Gaming chips or coins cannot be added to or removed from Gaming Station inventory during the gaming day except:

18.1.1 In exchange for Cash;

18.1.2 In payment of winning wagers and collection of losing wagers made at such Gaming Station;

18.1.3 In exchange for Gaming chips received from a Player or Patron having an equal aggregate face value; and

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18.1.4 In conformity with the Fill and Credit procedures described in Section 19 of these Standards.

18.2 Gaming Station inventory slips, Opener, Closer, and triplicate are serially numbered and document the value of each denomination of Gaming chips and coins on each Gaming Station at a specified period of time, which will be at a minimum when a Gaming Station is opened and closed.

18.2.1 Signatures attesting to the accuracy of the station inventory shall be of the Gaming Operations Supervisor assigned to the Gaming Station and Dealer or another table games employee.

18.2.2 Each copy of the Gaming Station inventory slip, Opener, Closer, and triplicate will be distributed in accordance with approved accounting and Internal Controls.

18.2.3 Each Gaming Station inventory shall be stored in a separate locked, clear container secured to the Gaming Station while not in use, with the information on a copy of the Gaming Station table inventory slip, visible from outside the container.

18.3 The Keys to the locked containers containing the Gaming Station inventories shall be maintained and controlled by the Gaming Operations Supervisor in a secure place and will not be accessible to any Cashier's Cage or Security Department personnel.

18.4 Any discrepancy between the Gaming Station inventory and the Gaming Station inventory slip shall be immediately reported to at least the Gaming Operations Shift Manager, the Security Department, and the TGA. A Notification of Error (NOE) or security report shall be completed in conformity with agreed upon system of accounting and Internal Controls.

SECTION 19 PROCEDURES FOR DISTRIBUTING AND REMOVING GAMING CHIPS AND COINS TO AND FROM GAMING STATIONS

19.1 Adding or removing Gaming chips or coins from a Gaming Station inventory using the Fill and Credit procedures requires, at a minimum, the following:

19.1.1 A Request for Fill must be completed prior to the transfer of Gaming chips or coins from the Cashier's Cage to the Gaming Station with the signature of at least the Gaming Operations Supervisor requesting the transfer of Gaming chips.

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19.1.2 A Request for Credit must be completed prior to the transfer of Gaming chips or coins from the Gaming Station to the Cashier's Cage with the signatures of at least the Gaming Operations Supervisor requesting the transfer and a Security Department Employee completing the transfer.

19.2 A Fill or Credit is serially numbered and documents at a minimum the date, time, Gaming Station number, and the value of each denomination of Gaming chips and coins being transferred.

19.2.1 Signatures attesting to the accuracy of the Fill or Credit shall include at least the Gaming Operations Supervisor assigned to the Gaming Station, the Dealer assigned to the Gaming Station, the Security Department Employee transferring the Gaming chips or coins, and the Cage Cashier preparing the forms.

19.2.2 One copy of the Fill or Credit shall be placed in the Gaming Station Drop Box, one copy shall be kept with the Cage Cashier's records, and one copy shall be secured for comparison by the Accounting Department.

19.2.3 If an error is found on the Fill or Credit form, the form shall be marked "VOID" on the original and duplicate form, and the preparer shall sign the voided form. All voided forms shall be forwarded to the Accounting Department.

19.2.4 Each form shall be kept in a locked dispenser that will permit an individual slip in the series and its copies to be written upon simultaneously, and that will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser or other secure method approved in the system of accounting and Internal Controls.

19.2.5 Computer applications, alternative documentation, and/or alternative procedures that may be used for distributing and removing Gaming chips and coins to Gaming Stations must provide at least the level of control described by these Standards. The Gaming Operation's approved system of Internal Controls shall specify the procedures used.

SECTION 20 COUNT ROOM: CHARACTERISTICS

20.1 The Gaming Operation will have a Count Room specifically designated for counting the contents of, at a minimum, Drop Boxes and banks.

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20.2 The Count Room shall be designed and constructed to provide maximum security to include, at a minimum, the following:

20.2.1 A door equipped with two separately keyed locks securing the interior of the Count Room. The Keys shall be unique and different from any other Keys. One Key shall be maintained and controlled by the Security Department and the other Key maintained and controlled by the Gaming Operation or the TGA;

20.2.2 The Security Department shall establish a sign out procedure for all Keys removed from the Security Department to access the Count Room; and

20.2.3 An alarm device connected to the entrance of the Count Room that verbally, audibly, and visually signals the surveillance room whenever the door to the Count Room is opened.

20.3 Located within the Count Room shall be a count table(s) constructed of clear glass or similar material for the emptying, counting and recording of the contents of, at a minimum, Drop Boxes and banks.

SECTION 21 PROCEDURE FOR COUNTING AND RECORDING DROP BOX CONTENTS

21.1 The opening, counting, and recording of the contents of Drop Boxes will be done by the Count Team which shall consist of at least three employees assigned by the Gaming Operation to perform the count, and who have no Incompatible Functions.

21.2 Surveillance will be notified at the start of the count. Immediately prior to the opening of any Drop Boxes, the doors to the Count Room shall be securely locked and, except as otherwise authorized by this Standard, no person shall be permitted to enter or leave the Count Room until the entire counting, recording and verification process is completed; provided, a person may leave or enter the Count Room during a normal work break after the last opened Drop Box has been counted, verified, and recorded, or in an emergency. Each Drop Box number will be called out and recorded by surveillance. Any discrepancy during the Soft Count shall be announced clearly in English by the Count Team at the time the discrepancy is observed.

21.3 As the contents of each Drop Box are counted separately at least twice, the amounts will be recorded and/or compared to the Master Game Report for Gaming Stations, and Tribal Lottery System reports for Player Terminals, Kiosks, and Sports Wagering Kiosks.

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21.4 After completion of the Drop and verification of the Master Game Report and Tribal Lottery System reports, each Count Team member shall sign the report attesting to the accuracy of the information recorded thereon.

21.5 All Cash and Gaming chips removed and counted shall be presented in the Count Room to a Cage Cashier who shall verify the Cash and Gaming chips received and shall sign the report evidencing the fact that both the Cage Cashier and Count Team have agreed on the total amount of Cash and Gaming chips counted. Then the Cage Cashier shall take a copy of the signed Master Game Report and Tribal Lottery System reports and the Cash and Gaming chips into the Cashier's Cage.

21.6 The Tribal Gaming Agent shall sign the report evidencing their presence during the count. At no time after the Tribal Gaming Agent has signed the Master Game Report shall any change be made to the Master Game Report without prior written approval of the TGA.

21.7 The paperwork from the Drop Boxes shall not be available to any Cashier's Cage personnel and shall be transported directly to the Accounting Department with one copy of the signed Master Game Report and Tribal Lottery System reports.

21.8 The originals and copies of the Master Game Report and Tribal Lottery System reports, Request for Fills, Fills, Request for Credits, Credits, and station inventory slips shall be audited on a daily basis in the Accounting Department.

SECTION 22 SIGNATURES

22.1 Signatures of each person required by these Standards to sign or initial forms, records, and documents shall:

22.1.1 Be, at a minimum, the signer's first initial and last name;

22.1.2 Include their license, certificate, or permit number; and

22.1.3 Signify that the signer has prepared forms, records, and documents, and/or authorized forms, records, and documents to a sufficient extent to attest to the accuracy of the information recorded thereon, in conformity with these Standards and the Gaming Operation's system of accounting and Internal Controls.

22.2 Signature records shall be prepared for each person required by these Standards to sign or initial forms, records, and documents, and shall include specimens of signatures, initials

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of signers, and department. Such signature records shall be maintained on a dated signature card filed alphabetically by last name. The signature records shall be adjusted on a timely basis to reflect changes of personnel.

22.3 Signature records shall be securely stored in the Accounting Department or human resource department.

22.4 Electronic signature records may be used in place of the above and shall be maintained in a secure electronic format and shall be immediately available to the TGA and the SGA upon request.

SECTION 23 CLOSED SURVEILLANCE SYSTEM

23.1 The Tribe shall install a Closed Surveillance System according to the following specifications.

23.2 The Closed Surveillance System shall include at least the following:

23.2.1 Light sensitive cameras, with some having pan, zoom, scan, and tilt capabilities, to effectively and clandestinely monitor in detail and from various vantage points, the following:

(a) All Gaming activities conducted in the Gaming Facility and on Premises;

(b) The operations conducted in the Cashier's Cage and any satellite Cashier's Cage;

(c) The entire Soft Count process and any other activities conducted in the Count Room and the storage cabinets or trolleys used to store Drop Boxes;

(d) The movement of Cash, Gaming chips, and Drop Boxes in the Gaming Facility;

(e) The entrances and exits to the Gaming Facility and the Count Room; and

(f) Such other areas as required by the Compact or as the TGA designates.

23.2.2 Video recording units with time and date insertion capabilities for recording what is being viewed by any camera of the system;

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23.2.3 Audio capability of the entire Soft Count process and any other activities in the Count Room; and

23.2.4 One or more monitoring rooms in each Gaming Facility which shall be in use at all times by the employees of the Surveillance Department assigned to monitor the activities in the Gaming Facility and on Premises.

23.3 Adequate lighting shall be present in all areas, including where Gaming activities occur, in Pits, and where coverage of the Closed Surveillance System is required.

23.4 The Surveillance Department shall be required to maintain a surveillance log of all surveillance activities in the Gaming Facility, on the Premises, and other areas as required by the TGA. The log shall be maintained by surveillance room personnel and shall include, at a minimum, the following:

23.4.1 Date and time of surveillance;

23.4.2 Person initiating surveillance;

23.4.3 Reason for surveillance;

23.4.4 Time of termination of surveillance;

23.4.5 Summary of the results of the surveillance; and

23.4.6 A record of any equipment or camera malfunctions.

23.5 The surveillance log shall be available for inspection at any time by the TGA and the SGA.

23.6 Video and audio recordings shall be retained for at least seven (7) days and, in the case of recordings of evidentiary value, for a time period as determined by the TGA or the SGA.

23.7 Entrances to the closed surveillance monitoring rooms shall not be visible or accessible from the Gaming floor.

23.8 Digital Surveillance.

23.8.1 Digital images shall record and playback images with sufficient magnification and clarity that shows fluid motion and allows the viewer to clearly distinguish the value of currency, coins, Gaming chips, playing cards, and outcome of the game

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and effectively monitor in detail all areas in the Gaming Facility where Gaming is conducted, including but not limited to, table games, Tribal Lottery System, poker, Sports Wagering, Electronic Table Games, keno stations, Cashier's Cage, Count Rooms, Information Technology Department, and all Gaming activity conducted on the Gaming floor by a Gaming Employee, Patron, or Player.

23.8.2 The recording systems must be equipped with an alarm that notifies the operator of the recording system in the event of an equipment malfunction.

23.8.3 The system shall provide an authentication process such as encryption and/or watermark to prevent and/or detect tampering.

23.8.4 Digital cameras can be programed to a motion detection setting, recording only when motion is detected, which occurs anytime there is a pixel change viewed by the camera. The pictures are still observable to the surveillance department personnel but it does not provide a continuous recording when no motion is detected.

23.8.5 The recording system is password protected with only an authorized system administrator user having the rights and the password to disable the "erase and reformat" functions. This is to prevent access to system files by unauthorized personnel.

23.8.6 Recordings from the digital Closed Surveillance System can only be viewed/read by people with access to the proprietary reader software. Only a Gaming Employee, licensed by the TGA and certified, registered, determined eligible, or licensed by the SGA as a Class III Gaming Employee, Tribal Gaming Agents, agents of the SGA, members of Non-Tribal Law Enforcement, and people authorized by the TGA may have access to live or recorded camera coverage.

23.8.7 Digital surveillance suppliers may have periodic remote access to perform routine upgrades and maintenance under the following conditions:

(a) The TGA must approve the remote access prior to it occurring; and

(b) A log must be kept of the remote access to include who was accessing, how long they were remotely connected, and the address of the remote connection; and

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(c) All supplier representatives remotely accessing the Closed Surveillance System must be licensed by the TGA and certified by the SGA; and

(d) At no time will the supplier representatives have access to manipulate or change live or recorded camera coverage; and

(e) The physical connections must only be made for service work and must be disconnected immediately following the completion of the work.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX B
(AMENDED AND RESTATED)

SATELLITE (OFF-TRACK) WAGERING ON HORSE RACES

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APPENDIX B

SATELLITE (OFF-TRACK) WAGERING ON HORSE RACES

SECTION 1 INTRODUCTION

This Appendix, added to the original Compact, contained conditions in order to operate or participate in Sports Pools, Punchboards and Pull-Tabs, and Satellite (Off-Track) Wagering on Horses. In 2025, the Tribe amended and restated its Compact, and as part of that effort, Sports Pools, and Punchboards and Pull-Tabs were moved to the Compact Section IV.

SECTION 2 DEFINITIONS

Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein. Except as otherwise provided herein, meanings ascribed to terms used in the Horse Racing Law, Chapter 67.16 RCW, and the Horse Racing Commission Regulations, WAC Title 260, are hereby adopted by reference wherever such terms are applicable in this Appendix.

SECTION 3 APPLICABILITY OF LAWS

Wagering at the Tribe's Satellite Wagering Facility will be conducted in accordance with the Compact, the Indian Gaming Regulatory Act, the Interstate Horseracing Act, any ordinances or regulations adopted by the Tribe, and Washington Horse Racing Laws as made applicable herein. Nothing herein will otherwise be deemed a prohibition or limitation upon the tribal operation of a Satellite Wagering Facility by the Tribe or on behalf of the Tribe.

SECTION 4 REGULATION OF SATELLITE (OFF-TRACK) WAGERING

4.1 Wagering Permitted. The Tribe is entitled to operate a single Satellite Wagering Facility pursuant to the Compact subject to the following terms and conditions:

4.1.1 Unless permitted in accordance with Section 4.1.3, the Tribe may conduct Satellite Wagering only on events Simulcast from any Washington State track (whether of a live race, or an authorized Simulcast of an out-of-state signal) on the same terms and conditions permitted for any other Satellite Wagering Facility in the State without limitation on the distance such tribal facility is from a live race meet, provided, the Tribe is entitled to receive Simulcast signals from each Washington State track on terms at least as advantageous as those made available by such track to any other satellite facility operated at a track holding a Class A or Class B Washington Horse Racing Commission license or at any other facility operated or leased by an entity holding such a license. Negotiations conducted

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between the Tribe and the track shall cover areas including, but not limited to, the following: percent of handle received; equipment required and who provides such equipment; who provides Wagering Employees; and how and on what schedule funds will be transferred. All wagers accepted at the tribal facility on such events shall be made into the parimutuel pool of the Washington State track which provides the Simulcast signal and shall be deemed to have been made at the location of such pool for the purposes of assessment of fees, charges, taxes, or other assessments. Nothing herein shall prohibit assessment by the Tribe of taxes, fees, or other charges for wagering conducted at the tribal facility, nor shall the State or any of its political subdivisions be authorized to impose any taxes, fees, charges, or assessments upon the Tribe or any person or entity authorized to conduct such activities on behalf of the Tribe for the Satellite Wagering activities regulated hereunder, other than those generally applicable to the parimutuel pool.

4.1.2 In the event the Tribe believes it is not offered Simulcast signals from a Washington State track on terms at least as advantageous as those made available by such track to the other Satellite Wagering operators as set forth in Section 4.1.1, the Tribe may request a formal determination from the Horse Racing Commission. The sole issues in such determination will be whether the Washington State track provides terms to those other Satellite Wagering operators which are more advantageous than those offered to the Tribe and, if so, what terms are less advantageous to the Tribe. Provided, the Horse Racing Commission shall conduct a hearing and render a decision within ninety (90) days after receipt of the request for a determination from the Tribe, and further provided, that if the Horse Racing Commission decision is not rendered within that time, the Tribe is entitled to conduct Satellite Wagering in accordance with the provisions of Section 4.1.3. If the Horse Racing Commission determines that the terms offered the Tribe are less advantageous, the Washington State track shall have thirty (30) days to offer terms that are at least as advantageous to the Tribe, or the Tribe will be entitled to conduct Satellite Wagering in accordance with Section 4.1.3. If the Tribe disputes the determination of the Horse Racing Commission regarding whether the terms offered to the Tribe are less advantageous, the Tribe or the State may request arbitration under Compact Section XI.B(3).

4.1.3 If, following an adverse determination from the Horse Racing Commission, the Washington State track does not offer the terms identified by the Horse Racing Commission in accordance with Section 4.1.2, the Tribe shall be entitled to negotiate for and receive Simulcast signals from out-of-state races for an equivalent number of races, to be offered within the subsequent twelve (12) month period, on such terms and conditions as it may obtain. Acceptance of

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signals from out-of-state tracks shall be made in compliance with the Interstate Horseracing Act, 15 U.S.C. § 3001, *et seq*. Nothing in this Section shall be deemed to limit acceptance of satellite wagers to the extent permitted under the Interstate Horseracing Act. Consent of the Horse Racing Commission, as required under the Interstate Horseracing Act, shall not be unreasonably withheld. For disputes concerning whether the Horse Racing Commission has unreasonably withheld its consent, the Tribe or the State may request arbitration under Compact Section XI.B(3).

4.2 Hours of Operation. The wagering authorized in the Tribe's Satellite Wagering Facilities shall be conducted within the hours authorized for Class III Gaming under Compact Section III.E.

4.3 Approval of Facility. Subject to approval of the physical adequacy of the facility, the Tribe's Reservation is hereby approved as a location for the conduct of Satellite Wagering as permitted under the Compact. The right of the Tribe to conduct Satellite Wagering from a facility at such location shall not be affected by its distance from any live race meet being broadcast to such facility, and statutes and regulations imposing distance limitations on the location of Satellite Wagering Facilities relative to live race meets, including but not limited to RCW 67.16.200, shall not be applicable to the Tribe.

4.4 Wagering Rules. All of the rules set forth in WAC Chapter 260-48 ("Mutuels") are hereby incorporated by reference as being applicable to any Satellite Wagering Facility authorized hereunder, subject to the following qualifications:

4.4.1 References therein to "racing associations" shall mean the Tribe.

4.4.2 References therein to "enclosure of any race track" shall mean the Satellite Wagering Facilities authorized hereunder.

4.4.3 Parimutuel machines shall be locked at the time and by the same means as are applicable to parimutuel machines at other Satellite Wagering Facilities within the State or as otherwise required by the parimutuel pool operator at the host race track or other authorized source, if different therefrom, but in all cases prior to the start of any race for which bets are being accepted.

4.4.4 References to "the manager of the parimutuel department" shall refer to any person appointed to manage the Satellite Wagering Facility authorized under the Compact.

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4.4.5 The Tribe may accept exotic bets, including but not limited to, daily doubles, quinellas, exactas, wagering on "short fields," daily triples, "Pick n," trifectas, and other exotic bets to the extent made available through parimutuel pools by the parimutuel pool operator.

4.5 Other Facilities within Area. In the event the Horse Racing Commission considers allocation of exclusive or limited areas in which Satellite Wagering Facilities may be located, the Horse Racing Commission will give good faith consideration to designating the Tribe's Satellite Wagering Facility as one of those exclusive or limited area Satellite Wagering sites. Notwithstanding the foregoing, the conduct of Satellite Wagering at any other facility, including a live racing facility, in the State shall not affect the right of the Tribe to operate its Satellite Wagering Facility at any time.

4.6 Amounts Received by Tribe. The Tribe may receive from Parimutuel Wagers made at its Satellite Wagering Facility such amounts as may be negotiated between it and the operator of the parimutuel pool (track).

4.7 Security Control. The Tribe shall maintain such security controls over any Satellite Wagering Facility authorized hereunder as would be required by the Horse Racing Commission for a comparable facility off the Reservation. The Tribe shall remove, deny access to, eject, or exclude Patrons whose presence within such facility would be contrary to the interests of the Tribe or the State in operating an honest, legitimate facility or in meeting the goals and objectives of the Compact or the Interstate Horseracing Act.

4.8 Accounting Practices and Audits. Any Satellite Wagering Facility authorized hereunder shall maintain its books and records in accordance with Generally Accepted Accounting Principles and State and federal rules and regulations applying to Satellite Wagering Facilities.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX D

DEFINITIONS

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SECTION 1 INTRODUCTION

This Appendix includes all the defined terms used in the Compact, except it does not include terms used *exclusively* in Appendix X2, which are defined therein.

SECTION 2 DEFINED TERMS

Accounting Department means the Gaming Operation's system of organization for daily operations and functions of income audit, accounts payable, payroll, financial reporting, Soft Count, and other duties to ensure compliance with accounting policies, procedures, Internal Controls, and the Compact.

Applicant means any Individual who has applied for a Tribal license, State Certification, Eligibility Determination, or Gaming Employee Registration whether or not such license, State Certification, Eligibility Determination, or Registration is ultimately granted.

Authorized Sports Wagering Menu means the list of leagues, organizations, and types of wagers approved for Sports Wagering.

Available for Lease means a Player Terminal that is part of an Eligible Tribe's Allocation of Player Terminals and is neither in use in any Eligible Tribe's Gaming Facility or Facilities, nor leased to another Eligible Tribe.

Cage Cashiers means a Gaming Employee performing any of the functions in the Cage as set forth in the Compact.

Cash, when used as a noun, means U.S. currency in the form of coins or bills.

Cash Equivalent means U.S. currency in the form of a treasury check, personal check, travelers check, wire transfer of funds, money order, certified check, cashier's check, a check drawn on the Gaming Operation payable to the Patron or to the Gaming Operation, a Patron's debit or

credit card, a Patron's reloadable prepaid card that has been verified as being issued to the Patron and is non-transferable, ACH transfer if the operator has security measures and controls to prevent ACH fraud regarding failed ACH deposits, or a voucher recording Cash drawn against a credit card or charge card.

Cashier's Cage or **Cage** means a secure work area within the Gaming Facility and a storage area for the Gaming Operation's bankroll which may include the bank, vault, or similar areas.

Cashless Transaction System means the system as outlined in Appendix X2, Section 2.1.

Cassette(s) means a locked container for use in a kiosk, having one or more monetary denominations.

Chief Executive Officer or a similar position with equivalent authority, means the position responsible for performing the functions of the highest-ranking executive of the Gaming Operation, exercising the overall management and authority over all the operations and directing of all employees of their Gaming Operation duties.

Chief Financial Officer or a similar position with equivalent authority, means the executive of the Gaming Operation exercising the overall management and authority over all financial matters.

Chief Operating Officer or a similar position with equivalent authority, means the position responsible for the operation and conduct of all Class III activities conducted in the Gaming Facility.

Class III Gaming means all forms of Gaming as defined in 25 U.S.C. § 2703(8) and authorized under Section IV of the Compact.

Closed Surveillance System means a recording system with a collection of surveillance cameras in which live signals are recorded and are available to be viewed within the system and are not publicly distributed or accessible.

Closer means the Gaming Station inventory slip upon which each Gaming Station inventory is recorded at the end of each shift or gaming day, which shall be dropped into the Drop Box upon completion of the inventory count.

Cloud Storage means data which is stored on remote servers accessed from the internet.

Collegiate Sport or **Athletic Event** means a sport or athletic event offered or sponsored by, or played in connection with, a public or private institution that offers education services beyond the secondary level, other than such an institution that is located within the State of Washington.

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Communal Shoe means a randomly shuffled and dealt deck or decks of cards, whether physical or electronic, that removes each card played until the round of play is completed according to the approved game rules in accordance with Appendix G.

Compact means the Class III Gaming Compact and Appendices between the Puyallup Tribe of Indians and the State of Washington.

Conventional Parimutuel Pool means the total wager under the parimutuel system on any horse or horses in a particular race to win, place, or show.

Count Room means a secure room where Drop Boxes are transported to and stored and the Drop from Class III Gaming activities are counted in accordance with the Compact.

Count Team means Gaming Employees that perform the Soft Count.

Credit Slip or **Credit** means the three-part record reflecting the removal of Gaming chips and coins from a Gaming Station in accordance with Appendix A.

Dealer means a Gaming Employee who facilitates play at a Gaming Station, individually or as a part of a crew, as authorized under approved Internal Controls or game rules.

Drop means the sum of the total amounts of currency, coin, Gaming chips, and vouchers removed from a Drop Box.

Drop Box means the container attached to a Gaming Station, Player Terminal, or kiosk for deposit of Cash and documents received in accordance with the Compact.

Electronic Gambling Device or **Gambling Device** means any device or mechanism the operation of which a right to money, credits, deposits, or other things of value may be created, in return for a consideration, as the result of the operation of an element of chance and any device or mechanism which, when operated for a consideration, does not return the same value or thing of value for the same consideration upon each operation thereof.

Electronic Sports or **Esports Competition** or **Event** means a live video game event or tournament attended or watched by members of the public where games or matches are contested in real time by Player(s) and team(s), and Player(s) or team(s) can win a prize based on their performance in the live video game event or tournament.

Electronic Table Game or **ETG** means an electronic version of an approved Class III table game.

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Electronic Table Game System or **ETG System** means a system that utilizes electronics in connection with the generation, collection, storage, and communication of game outcome, accounting, and significant event data, including all ETG Components thereof, to operate Electronic Table Games.

Electronic Table Game Terminal or **ETG Terminal** means a computer housed in a cabinet with input device(s) and video screen(s) where a Player may play Electronic Table Games.

Electronic Wagering System means an ETG Component of the ETG System that includes a computer or server and any related hardware, software or other device that facilitates play at an Electronic Table Game.

Eligibility Determination means the process described in Appendix L, Section 2.3 conducted by the SGA.

Eligible Tribe means a Washington Tribe that has entered into a compact authorizing operation of a Tribal Lottery System consistent with Appendix X2.

ETG Component means Electronic Table Game Terminals, any Dealer interface, the Electronic Wagering System, and hardware, software, and servers that function collectively to simulate table game operations and are necessary to operate the Electronic Table Game System.

Exotic Parimutuel Pool means the total wagers under the parimutuel system on the finishing position of two or more horses in a particular race, such as Quinella or Exacta wagers, or on horses to win two or more races, such as Daily Double wagers, Pick Six wagers, or on other wagers other than Conventional Parimutuel Pool wagers.

Fair means the odds of winning prizes being equal to other devices connected to the same WAP within accepted statistical industry standards as verified by an approved gaming test laboratory.

Fill Slip or **Fill** means the three-part record reflecting the distribution of Gaming chips and coins to a Gaming Station as provided in Appendix A.

Gaming or **Gambling** means staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the Player's control or influence, upon an agreement or understanding that the Player will receive something of value in the event of a certain outcome.

Gaming Employee means any person employed or otherwise employed as a contracted employee in the operation or management of the Gaming Operation, whose job duties are Gaming-related, including, but not limited to, Gaming Operation managers and assistant

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managers; accounting personnel; security personnel; surveillance personnel; supervisors; Dealers; box men; floormen; Pit Bosses; shift bosses; Cashier's Cage personnel; Sports Wagering personnel; collection personnel; and any other natural person whose employment duties require or authorize access to restricted areas of the Gaming Facilities.

Gaming Facility or **Gaming Facilities** means the building or buildings or portions thereof in which Class III Gaming activity occurs as authorized by the Compact.

Gaming Operation means the commerce, industry, or business conducted on Tribal Lands for the purpose of providing any form of Class III Gaming in any Gaming Facility.

Gaming Operations Shift Manager or a similar position with equivalent authority, means the position responsible for performing the functions of the supervisor assigned to each shift with the responsibility for the supervision of Gaming activities conducted in the Gaming Facility. In the absence of the Chief Operating Officer, the Gaming Operations Shift Manager shall have the authority of the Chief Operating Officer.

Gaming Operations Supervisor or a similar position with equivalent authority, means a person in a supervisory capacity and required to perform certain functions under the Compact, including but not limited to, Pit Bosses, Gaming Operations Shift Managers, the Operation managers and the Chief Operating Officer.

Gaming Services means the providing of any goods or services to the Gaming Operation directly in connection with the operation of Class III Gaming in a Gaming Facility and involving restricted areas or access. Goods or services include, but are not limited to, equipment, maintenance, management, and security services for the Gaming Facility.

Gaming Station means one conventional, physical Gaming table of the general size and scope as commonly used in Nevada or in another U.S. jurisdiction as agreed by the Parties or Electronic Table Games, subject to Appendix G.

Geofence means any technology used to create a virtual geographic boundary or technology used to detect the physical location of a device a Patron is using to attempt to engage in Mobile Sports Wagering.

IGRA means the Indian Gaming Regulatory Act, Pub. L. 100-497, codified at 25 U.S.C. § 2701 *et seq.* and 18 U.S.C. §§ 1166–1168. It is a federal law that establishes the jurisdictional framework that governs Indian Gaming.

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

Incompatible Function means a function, for accounting and Internal Controls purposes, that places any person or department in a position to both perpetrate and conceal errors or irregularities in the normal course of the person's or department's duties. Anyone both recording transactions and having access to the relevant assets is in a position to perpetrate errors or irregularities.

Independent Accountant means a professional accountant suitably qualified and sufficiently independent to act as auditor of the Gaming Operation.

Independent Accounting Firm means a person or firm licensed by the Washington State Board of Accountancy.

Indian means an enrolled member of a federally recognized American Indian tribe or Alaska Native entity.

Individual means, but is not limited to, natural persons and business entities including sole-proprietorships, partnerships, corporations, joint ventures, organizations, and associations.

Information Technology Department means the Gaming Operation department whose personnel ensure the physical security over computers, computer terminals, and storage media; and oversee the installation, operation and maintenance of computer hardware, operating systems, applications, software, and data communications relating to Gaming consistent with the Compact and the Internal Controls.

Integrity Monitoring Provider means a Sports Wagering Vendor approved by the TGA and the SGA to receive reports of Unusual Wagering Activity from the Gaming Operation for the purpose of assisting in identifying Suspicious Wagering Activity.

Internal Controls means the documents that describe the internal operational system or internal procedures of the Gaming Operation designed to promote efficiency, safeguard assets, and avoid fraud and error.

Keno System means the collection of hardware and software components which facilitate the play, reporting, and security of the keno game, including number selection devices, databases, servers, networking devices, management terminals, kiosks, and other components used as integral parts of the keno game.

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Key means an instrument for locking or a device that operates a lock designated to secure and protect assets. A Key could include a unique hard Key, a plastic card with an encoded magnetic strip or chip, magnetic lock, or similar device.

Kiosks are described in Appendix X2, Section 2.9. See Sports Wagering Kiosk definition below.

Layoff Wager means a wager placed or accepted between gaming operations for the purpose of offsetting the tribal Sports Wagering liability.

Master Game Report means a record of the computation of the Win or Loss for each Gaming Station, each game, and each gaming day shift and includes the total amount of currency and coin counted, amount of the Opener and Closer, Fill and Credit serial numbers, individual and total amounts of Fills and Credits, and Win or Loss.

Memorandum of Understanding or **MOU** means a document agreed upon by both the Tribe and SGA that clarifies terms or details of agreed upon Compact provisions and does not add provisions which would require an amendment.

Minor League means a lower professional league or division within a sport, such as American baseball or hockey, where a professional team has the exclusive contractual rights to promote and relegate players.

Mobile Device means portable electronic equipment used in Mobile Sports Wagering, including but not limited to a mobile phone, tablet, personal computer, electronic device, and any other portable electronic device.

Mobile Sports Wagering means any Sports Wagering on a Mobile Device platform, including Sports Wagers deployed and accessed through the internet or an application installed on a Mobile Device.

National Indian Gaming Commission or **NIGC** means the commission established pursuant to Section 5 of IGRA, 25 U.S.C. § 2704.

Non-Indian means a person not enrolled as a member of a federally recognized American Indian tribe or Alaska Native entity.

Non-Tribal Law Enforcement means any non-Tribal law enforcement agency that has jurisdiction to enforce State laws on Tribal Lands or is subject to the terms of a cross-deputization, cooperation, or mutual aid agreement with the Tribe. Except as specifically provided in the Compact, nothing in this definition or in any provision set forth in the Compact,

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however, is intended to expand, waive, confer, or limit any jurisdiction upon any law enforcement agency on Tribal Lands.

Opener means the Gaming Station inventory slip upon which each Gaming Station inventory is recorded at the end of each shift and serves as the record of each Gaming Station inventory at the beginning of the next shift.

Parimutuel Wagering means a form of wagering on the outcome of horse races in which those who wager purchase tickets of various denominations on a horse or horses in one or more races. When the outcome of the race or races has been declared official, there is a distribution of the total wagers comprising each pool, less any amounts permitted to be retained by law or under the Compact, to holders of winning tickets on the winning horse or horses.

Participant Tribe means a tribal government within the State that has been accepted to join in a specific approved WAP.

Patron means any person on Tribal Lands who is physically present in a Gaming Facility, excluding on-duty Individuals licensed through the TGA.

Pit means the area enclosed or encircled by an arrangement of Gaming Stations, other than Electronic Table Games, in which Gaming Operation personnel administer and supervise the games played at the Gaming Stations by the Players located on the outside perimeter of the area.

Pit Boss means the position responsible for the overall supervision of the operation and conduct of Gaming at the Gaming Stations within a single Pit and oversees any intermediate supervisors assigned by the Gaming Operation to assist in supervision of Gaming Stations in the Pit.

Player means a natural person who engages in any form of Gaming in which the Player shall not receive or become entitled to receive any profit therefrom other than personal Gaming winnings, and without otherwise rendering any material assistance to the establishment, conduct, or operation of a particular Gaming Activity.

Player Account means an electronic account established by a Patron for the purpose of Sports Wagering, including deposits, withdrawals, wagered amounts, payouts on winning wagers, or similar adjustments.

Player Terminals are described in Appendix X2, Section 2.13.

Premises means buildings that comprise a Gaming Facility and adjacent or adjoining amenities, such as hotels, restaurants, conference or entertainment spaces, common areas, parking lots, garages, and other improved areas; provided that such areas constitute Puyallup Tribal Lands,

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and provided further, that such areas do not include non-adjoining convenience stores or golf courses.

Principal means with respect to any Sports Wagering Vendor, supplier or manufacturer of Gaming Services, or financier: (a) each of its officers and directors; (b) each of its owners or partners, if an unincorporated business; (c) each of its shareholders who own more than ten percent of the shares of the corporation, if a corporation; and (d) each person who has provided financing for the enterprise constituting more than ten percent of the total financing of the enterprise or project.

Professional Sport Event or **Athletic Event** means an event that is not a Collegiate Sport Event or Collegiate Athletic Event at which two or more persons participate in a sports or athletic event and receive compensation in excess of actual expenses for their participation in the event. "Professional Sport or Athletic Event" does not include any Minor League sport.

Progressive Prize means a prize that increases by a predetermined amount based on play on a Tribal Lottery System.

Proof of Identity means valid legal identification that includes a current photograph such as a driver's license, state identification card, passport, or tribal identification card.

RCW means the Revised Code of Washington, as amended.

Registration means the process described in Appendix L, Section 2.4 conducted by the SGA to determine, from the State's perspective, if a person is of good character, honesty and integrity; the person's prior activities do not pose a threat to the public or to effective regulation of the Compact; and that such person is likely to conduct Class III Gaming activities in accordance with the Compact.

Request for Credit means the two-part document reflecting the authorization for preparation of a Credit with respect to removal of Gaming chips and coins from a Gaming Station in accordance with Appendix A.

Request for Fill means the two-part document reflecting the authorization for preparation of a Fill for the distribution of Gaming chips and coins to a Gaming Station in accordance with Appendix A.

Satellite Wagering means Parimutuel Wagering on Simulcast results as provided in Appendix B.

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Satellite Wagering Facility means any facility in which Satellite Wagering is conducted in accordance with Appendix B.

Security Department means a department within the Gaming Operation that is responsible for ensuring the safety of Patrons, employees, Gaming Operation assets, and the Gaming Facility.

Security Department Employee means a Gaming Employee who is a member of the Security Department as provided in the organization of the Gaming Operation in accordance with the Compact.

Simulcast means the simultaneous television or radio transmission of a race to a facility other than where the race meet is being held as provided in Appendix B.

Soft Count means the process in which Class III Gaming revenues are counted in accordance with Appendix A.

Sports Governing Body means the organization that prescribes final rules and enforces codes of conduct with respect to a sporting event and participants therein.

Sports Wager or **Mobile Sports Wager** means the actual bet placed on sporting events, Athletic Events, or competitions. A Sports Wager does not include wagers on horse racing authorized pursuant to RCW chapter 67.16.

Sports Wagering means the business of accepting wagers on any of the following sporting events, athletic events, or competitions by any system or method of wagering: (a) a Professional Sport or Athletic Event; (b) a Collegiate Sport or Athletic Event; (c) an Olympic or international sports competition or event; (d) an Electronic Sports or Esports Competition or Event; (e) a combination of sporting events, athletic events, or competitions listed in (a) through (d) of this subsection; or (f) a portion of any sporting event, athletic event, or competition listed in (a) through (d). Sports Wagering does not include the business of accepting wagers on horse racing authorized pursuant to RCW chapter 67.16.

Sports Wagering Kiosk means an unattended, self-service terminal, machine, or other device provided by the Gaming Operation through which a Patron may place or redeem a Sports Wager.

Sports Wagering System means all equipment, hardware, data networks, communications technology, and software used in the operation of Sports Wagering that directly affect the wagering and results of Sports Wagering offered under Appendix S, including the following: (a) Sports Wagering interactive components, including all associated equipment and software that comprise the Sports Wagering platform used in a Sportsbook or used for online or Mobile Sports Wagering; (b) Sports Wagering Kiosks; and (c) ticket or voucher redemption devices.

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"Sports Wagering System" does not include a Mobile Device owned and used by a Player to place a Sports Wager.

Sports Wagering Vendor means an organization that provides any Gaming goods or services in connection with the operation of Sports Wagering.

Sportsbook means the Sports Wagering area where transactions are conducted from a counter located in a Sports Wagering lounge or other window locations as approved by the TGA. The Sportbook does not include a window in the Cashier's Cage designated only for the redemption of winning Sports Wagering tickets.

State means the State of Washington, its authorized officials, agents and representatives.

State Certification means the process described in Appendix L, Section 2.2 utilized by the SGA to ensure that all Individuals or other entities or persons required to be certified are qualified to hold such State Certification in accordance with the Compact.

SGA means the Washington State Gambling Commission. SGA may also be known as the State Gaming Agency

Surveillance Department means the department that conducts clandestine observation of all activities within the Gaming Facility in accordance with the Compact.

Suspicious Wagering Activity means Unusual Wagering Activity that cannot be explained and is indicative of match fixing, the manipulation of an event, misuse of inside information, or other prohibited activity.

TGA means the Puyallup Tribal Gaming Agency, which is primarily responsible for regulatory oversight of Class III Gaming as authorized by Tribal law and recognized under the Compact.

Tribal Gaming Agent means an employee of the TGA duly appointed by the TGA as an agent.

Tribal Gaming Code means the Puyallup Tribe of Indians Gaming Code approved by the NIGC pursuant to IGRA and codified in Chapter 13.04 (or its successor) of the Puyallup Tribal Code, as amended, and any regulations or rules adopted by the Tribe thereunder.

Tribal Lands means Indian lands as defined by 25 U.S.C. § 2703(4)(A) and (B), subject to the provisions of 25 U.S.C. § 2719, and subject to the jurisdiction of the Tribe.

Tribal Law Enforcement means any police force established and maintained by the Tribe pursuant to the Tribe's powers of self-government to carry out law enforcement within the Tribal Lands or pursuant to a law enforcement commission.

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Tribal Licensing means the licensing process utilized by the Tribe to ensure all Individuals and other entities required to be licensed are qualified to hold such license in accordance with provisions of the Tribal Gaming Code, regulations, and the Compact.

Tribal Lottery System is described in Appendix X2, Section 2.15.

Tribal Member means an enrolled member of the Puyallup Tribe of Indians pursuant to the membership laws of the Tribe.

Tribe or **Tribal** means the Puyallup Tribe of Indians, its authorized officials, agents, and representatives.

Unusual Wagering Activity means abnormal wagering exhibited by a Player or Players and deemed by the Gaming Operation as a potential indicator of suspicious activity. Abnormal betting activity may include, but is not limited to, the size of a Player's wager, or increased wagering volume on a particular event or wager type.

WAC means the Washington Administrative Code, as amended.

Wagering Employee means any person who is employed by the Gaming Operation or works at any Satellite Wagering Facility, and who handles any monies, materials, records, or equipment related to the Satellite Wagering, or who supervises any person who does so or supervises any such supervisor as provided in Appendix B.

WAP Component means the hardware, the software, and any integral parts or combination thereof necessary to operate the WAP.

WAP Controller means a WAP Component at each participating jurisdiction's and/or government's Gaming Facility that accumulates Progressive Prizes and provides Progressive Prize information to display for Players in accordance with Appendix W.

WAP Operator means the licensed manufacturer or Gaming service supplier that maintains the WAP central system which communicates with individual WAP Controllers in accordance with Appendix W.

Wide Area Progressive or **WAP** means a jackpot sharing system between multiple participating jurisdictions and/or governments within and outside the State in accordance with Appendix W.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX G

ELECTRONIC TABLE GAMES

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APPENDIX G

ELECTRONIC TABLE GAMES

SECTION 1. CONDITIONS AND LIMITATIONS

This Appendix contains the interrelated concessions, limitations, and agreement of the Tribe and the State with respect to the subject matter addressed herein. Provisions of the Compact that are not addressed in this Appendix remain in full force and effect, unless and until they are subsequently amended pursuant to the processes set forth in the Compact. This Appendix contains interdependent conditions and consequences that must be accepted as a whole in order to adopt this Appendix.

The Tribe shall provide at least ten (10) days' advance notice to the State prior to implementation of this Appendix.

Any provisions of the Compact that do not conflict with these standards shall apply to Electronic Table Games. To the extent they do not conflict, existing Internal Controls, game rules, and similar documents in effect as of the date of the publication of the Seventh Amendment remain in full force and effect unless and until they are subsequently modified pursuant to the process set forth in the Compact. This Appendix G was bargained for and in exchange for all of the terms contained herein, as well as Compact Section III.

SECTION 2. DEFINITIONS

Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

SECTION 3. AUTHORIZATION

3.1 General Requirements. The ETG System must be honest, fair, secure, reliable, auditable, and compliant with the Compact and the standards contained in this Appendix and any related Memorandum of Understanding.

3.2 System Conditions. An ETG System is authorized when the ETG System does not allow a Player to play a device prohibited by RCW 9.46.0233(1)(b) and RCW 67.70.040(1)(a) ("Play Against the Machine"). An ETG System does not allow Play Against the Machine when:

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3.2.1 There is a human Dealer involved in the play of the ETG ("Dealer Controlled"); or

3.2.2 The play of the ETG does not involve a human Dealer, and the ETG System is configured for play between two or more Players against the same roll of dice or spin of the wheel, or a Communal Shoe of electronic cards ("Non-Dealer Controlled"); however, only one Player is needed to initiate game play; or

3.2.3 It is a hybrid of Dealer Controlled and Non-Dealer Controlled, provided that any ETG played as Dealer Controlled follows applicable Dealer-Controlled standards set forth in this Appendix and any ETG offered as Non-Dealer Controlled follows applicable Non-Dealer Controlled standards set forth in this Appendix.

3.3 Specific Games.

3.3.1 The Tribe may offer for play an ETG version of any Class III table game approved in Compact Section IV.A. Pay table or odds offered on an ETG shall be consistent with game rules as approved in Compact Section IV.A. ETG game rules must be displayed on each ETG Terminal.

3.3.2 An ETG Terminal may allow for play any other Class III activity as authorized under the Compact, other than the Tribal Lottery System or any Gaming activity with a limited allocation.

3.3.3 Concurrent Play. Players may play more than one ETG concurrently using a single ETG Terminal under the following requirements:

(a) An ETG Terminal must display clear information about each ETG available for play and such information must be available to a Patron without the Patron first placing a wager.

(b) An ETG Terminal must display each ETG selected for play by the Player.

(c) An ETG Terminal must display the decisions and outcomes of play for each ETG selected by the Player.

(d) An ETG may not be added to or removed from an ETG Terminal in use by a Player.

3.4 Wager Limits. Wager limits for ETGs shall not exceed five hundred dollars ($500).

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3.5 Electronic Wagering System. An ETG shall be activated with an Electronic Wagering System that meets the standards described in Section 5.1.2. An ETG Terminal shall not issue coin or U.S. currency at the conclusion of a Player's play.

SECTION 4. NUMBER OF GAMING STATIONS

Every nine ETG Terminals shall constitute one Gaming Station. If the number of ETG Terminals put into play is not perfectly divisible by nine, then any remainder less than nine will constitute a Gaming Station. For example, if ten ETG Terminals are in operation, it will constitute two Gaming Stations.

SECTION 5. OPERATION AND REPORTING REQUIREMENTS

5.1 Standards for Operation.

5.1.1 Any ETG must comply with the standards established by this Appendix and any applicable provision of the Compact, and must meet or exceed all applicable standards of Gaming Laboratories International's Standards GLI-24 (Electronic Table Game Systems) ("GLI-24") and GLI-25 (Dealer Controlled Electronic Table Games), as amended or modified. Any standards that contemplate features or functionalities of an ETG System that conflict with Section 3 are not applicable, and such features or functionalities are prohibited.

5.1.2 Any Electronic Wagering System must meet or exceed Gaming Laboratories International's Standard GLI-16 (Cashless Systems in Casinos), the standards established by this Appendix, any applicable provision of the Compact, including Cashless Transaction System as defined in Appendix X2, and any related MOU. Provided, any "Cashless Systems in Casinos" that would add money to or take money from a Patron's account without a cashier or kiosk would require negotiations in Compact Section XIII.E.

5.1.3 The TGA and the SGA may mutually agree in writing to alternative standards for any ETG System authorized in Section 3, in lieu of the GLI standards described in Sections 5.1.1 and 5.1.2, that maintain the integrity and security of the ETG System.

5.2 Internal Controls. Prior to offering ETGs for play, the Tribe must implement Internal Controls as minimum operating standards to govern the operation and management of the ETG System.

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5.2.1 Initial Internal Controls. The TGA shall forward to the SGA its initial Internal Controls for ETG Systems for review and concurrence in accordance with Compact Section VII(A).

5.2.2 Minimum Requirements. The Internal Controls will address the following, at a minimum:

(a) Description of Gaming Employees who perform essential functions, supervisory authority, handling payouts on winning vouchers;

(b) User access controls for ETG personnel;

(c) Segregation of duties;

(d) Procedures for receiving, investigating, and responding to Patron complaints;

(e) Accounting and auditing procedures;

(f) Procedures to ensure the physical security of the ETG Systems, including Key controls and Closed Surveillance System coverage;

(g) Procedures to ensure the integrity and security of all sensitive data and software;

(h) Procedures to ensure that access to sensitive data and software is limited to appropriate personnel;

(i) Procedures to ensure accurate accounting of wagers and payouts;

(j) Procedures to ensure the logging of the events and the availability of records to permit an effective audit of the conduct of the ETG System and the reporting of revenue;

(k) All existing Internal Controls are updated, as necessary, to ensure there are no conflicts with any Internal Controls governing ETG Systems; and

(l) Any other Internal Controls deemed necessary by the TGA and the SGA.

5.3 Required Reports. Reports necessary to record information as deemed necessary by the TGA or as required by Internal Controls must be generated. These reports may include, but are not limited to, all applicable reports as outlined in GLI-24 Section 2.21.

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5.4 Training. A manufacturer's prototype (e.g., test cart) of the version of the ETG System that will be installed at the Gaming Facility will be delivered to the SGA for training purposes prior to field testing. The SGA will collaborate with the TGA to provide additional training opportunities related to ETG Systems. The TGA and the SGA may mutually agree to an alternative to a prototype.

SECTION 6. APPROVAL OF ELECTRONIC TABLE GAME SYSTEMS

6.1 Purpose. The general purpose of testing an ETG System pursuant to Section 6 is to determine the compliance of the ETG System with this Appendix and any applicable MOU(s).

6.2 Independent Test Laboratory (ITL) Testing for ETG System, Upgrades, and New Equipment; Modifications.

6.2.1 ITL Requirement. Each new or upgraded ETG System may be offered for play only if it has been tested and certified as meeting the applicable standards of this Appendix and any related MOU by an ITL selected by the Tribe from SGA's approved ITL list.

6.2.2 ITL Reports and Certification. At the conclusion of testing, the ITL shall provide to the TGA and the SGA its certification and supporting documentation. If the ITL provides sufficient documentation that the ETG System or relevant ETG Component has been tested and certified by that ITL in any other jurisdiction and it meets the requirements of this Appendix, without any subsequent modifications, that shall be sufficient to satisfy this requirement.

6.2.3 Modifications. No substantive modification to any ETG System may be made after testing, certification, and approval without certification of the modification by an ITL. The following modifications are not considered substantive and do not require ITL certification or notification to the SGA: (a) changes to content not related to any regulated feature; (b) adding or removing users; (c) any system configuration changes that have no impact on the accuracy of report information including Gaming revenue; and (d) minor modifications to hardware.

6.3 Field Testing for ETG Systems.

6.3.1 A new ETG System may only be offered for play subject to field testing at the Tribe's Gaming Facility as described below.

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6.3.2 The terms, conditions, criteria, and objectives for each ETG System to be field tested must be jointly agreed to by the TGA and the SGA in writing prior to field testing and must include at least:

(a) The requirements and standards that must be met to determine successful field testing;

(b) The number of ETG Terminals to be included in the field test;

(c) The demarcation of the testing area of the Gaming floor and necessary signage;

(d) The appropriate length of the testing period; and

(e) Identification of who will receive updates, how the updates will be sent, and when they will be sent.

6.4 Approval.

6.4.1 After a minimum of thirty (30) days of active operation of field testing free of substantial errors, the TGA and the SGA may end field testing and approve the ETG System if the final joint field testing report provides, at a minimum, the details of testing, any issues identified, the resolution of those issues, and overall performance and compliance of the ETG System with applicable standards.

6.4.2 The ETG System shall be deemed approved after ninety (90) days of active operation unless disapproved in writing by the TGA or the SGA detailing the reasons for disapproval.

6.4.3 Field testing may be suspended by the TGA, the SGA, or the manufacturer at any time for non-compliance. Once the TGA and the SGA agree the non-compliance issue is resolved, field testing may resume.

6.5 Implementation of Approved ETG by another tribe. The Tribe may conduct their own field testing period as outlined above or, once field testing is completed for another tribe, the Tribe may rely on that testing for approval when its ETG System is the same and configured in the same way.

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SECTION 7. PROBLEM GAMBLING AND RESPONSIBLE GAMING

7.1 Commitment to Responsible Gaming. Compact Section III.Q governs the Tribe's commitment to a comprehensive problem gambling and responsible gaming program and such provisions are incorporated herein.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX L

LICENSING, STATE CERTIFICATION, ELIGIBILITY DETERMINATION, AND REGISTRATION PROCEDURES

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APPENDIX L

LICENSING, STATE CERTIFICATION, ELIGIBILITY DETERMINATION, AND REGISTRATION PROCEDURES

The Puyallup Tribe of Indians and the State of Washington, through the TGA and the SGA, have had a collaborative and productive working relationship related to the licensing and certification of Gaming Employees, manufacturers and suppliers of Gaming Services, and Sports Wagering Vendors. The Tribe and State intend to continue that relationship where the TGA issues licenses and the SGA issues State Certifications to Gaming Employees, manufacturers and suppliers of Gaming Services, and Sports Wagering Vendors. However, in the interest of flexibility, the Parties wish to include the option to transition to an Eligibility and/or Registration model for Gaming Employees in the future.

SECTION 1 DEFINITIONS

Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

SECTION 2 GAMING EMPLOYEES

2.1 Overview. The TGA shall license Gaming Employees and will work with the SGA for the SGA to issue either State Certification to those Gaming Employees as described in Section 2.2 or work with the SGA for the SGA to determine Eligibility as described in Section 2.3 or work with the SGA for the SGA to verify Registration as described in Section 2.4. Depending upon the duties involved in any position in the Gaming Operation, the TGA and the SGA, by mutual written agreement, may exclude some Gaming Employees or include other employees not identified in this Appendix.

2.1.1 The options outlined in Sections 2.2, 2.3, and 2.4 are mutually exclusive and cannot be utilized at the same time.

2.1.2 Transitioning between State Certification and Eligibility Determination. The TGA may choose to transition from State Certification to the Eligibility Determination provisions of the Compact. The TGA agrees that it will operate under the Eligibility Determination provisions for at least two (2) years before returning to the State Certification provisions. If the TGA chooses to return to the State Certification provisions after at least two (2) years under the Eligibility Determination provisions, it agrees that it will operate under the State

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Certification provisions for at least two (2) years before transferring back to the Eligibility Determination.

2.1.3 Transitioning from State Certification or Eligibility Determination to Registration. If the TGA can demonstrate Tribal Licensing expertise by meeting all criteria required in Section 2.4.1 and the SGA verifies the TGA has met the criteria, the Tribe may choose to transition from State Certification or Eligibility Determination to the Registration provisions of the Compact.

(a) The TGA must operate under the Registration provisions for at least two (2) years before returning to the State Certification or Eligibility Determination provisions. If the TGA chooses to return to the Eligibility Determination or State Certification provisions after at least two (2) years under the Registration provisions, they must operate under the State Certification or Eligibility Determination provisions for at least two (2) years before transferring back to Registration.

(b) Prior to any transition and every three (3) years thereafter, the TGA must demonstrate and verify that it meets all criteria in Section 2.4.1, to be set out in a Transition MOU, as set forth in Section 2.1.5.

(c) If the Tribe determines that the TGA no longer meets the requirements set forth in Section 2.4.1, the Tribe will immediately notify the SGA of the TGA's plan to transition back to either a State Certification or Eligibility Determination process and provide the SGA thirty (30) days' notice to update their processes and reprogram their systems.

(d) If the SGA finds the TGA no longer meets the requirements in Section 2.4.1, the SGA will immediately notify the TGA and request a meeting to discuss a transition plan back to either the State Certification or Eligibility Determination process.

2.1.4 Submitting Transition Plan to the SGA.

(a) The TGA will submit the proposed transition date and licensing and State Certification, Eligibility Determination, or Registration plan to the SGA at least ninety (90) days prior to transitioning. The ninety (90) day period will provide the SGA time to reprogram their systems, properly train staff in the new procedures, and allow time for the SGA to verify that the TGA meets the applicable criteria.

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(b) When transitioning to Registration, the TGA must also provide documentation in their transition plan of how it meets the criteria in Section 2.4.1.

(c) When returning to a previous process, the TGA will notify the SGA of their plan to transition to a previous process and provide the SGA thirty (30) days notice to update their processes and reprogram their systems.

2.1.5 Transition MOU. If the Tribe wishes to transition to another process, the TGA and the SGA must enter an MOU ("Transition MOU") that includes, at a minimum: transition date; fees; the submittal process for State Certification, Eligibility Determination, or Registration verification; annual review, including the timing, process, and any costs associated with such review; and that State Certification and Eligibility Determination applications and Registration information must be submitted online. If the transition is to Registration, the Transition MOU will also include the TGA's verification that it meets all criteria in Section 2.4.1. The MOU may be amended from time to time and will remain in effect while the TGA operates under either the Eligibility Determination or Registration verification process.

2.2 Gaming Employee Tribal License and State Certification.

2.2.1 Tribal License and State Certification Required. Any employee that meets the definition of Gaming Employee, regardless of the employee's job title, must be licensed by the TGA and relicensed annually, and must also receive State Certification from the SGA and be recertified annually. The TGA may immediately issue a license if the Gaming Employee has a current State Gaming license or State Certification issued by the SGA.

2.2.2 Pre-Certification Licensing.

(a) The TGA may perform an initial criminal background check on an Applicant who has applied for a Class III Tribal gaming license by accessing the Judicial Information System ("JIS") or an alternative repository for criminal history records as agreed to by the TGA and the SGA.

(b) The criminal history results and preliminary TGA determination will be submitted to the SGA along with the completed State Certification

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application, the Applicant's fingerprint cards, Proof of Identity, and the fee required for State Certification.

(c) Only Applicants who meet the minimum requirements may begin working at a Gaming Facility prior to receiving State Certification. "Minimum requirements" shall mean that the Applicant is not on probation and that they have none of the following: pending charges, outstanding warrants or criminal judgements, felony convictions, or misdemeanor convictions within the last ten (10) years.

(d) The pre-certification license shall become null and void and the Tribe shall immediately cease to employ the Applicant if the SGA raises an objection, with cause, to the application.

(e) A pre-certification license from the TGA shall become null and void upon either the issuance of State Certification or upon the issuance of a notice of the SGA's intent to deny State Certification.

2.2.3 Procedures for Tribal License Applications and State Certification. Each Applicant for a Tribal gaming license and for State Certification shall submit the completed State Certification application form along with the required information to the TGA. Each completed application that does not include a pre-certification determination shall be accompanied by the Applicants' fingerprint card(s), Proof of Identity, and the fees required by the TGA and the SGA. Upon receipt, the TGA will transmit the completed application, a set of fingerprint cards, Proof of Identity, and required fees for each Applicant to the SGA.

2.2.4 Background Investigations of Applicants. Upon receipt of a completed application, attachments and the fee required for State Certification, the SGA shall conduct the necessary background investigation to ensure the Applicant is qualified for State Certification. Upon completion of the necessary background investigation, the SGA shall either issue a State Certification or deny the application based on criteria set forth in the Compact. If the SGA issues a State Certification, the SGA shall forward the State Certification to the TGA. If the application for State Certification is denied, a statement setting forth the grounds for denial shall be forwarded to the Applicant in accordance with the provisions of WAC 230-17 with a copy forwarded to the TGA. The SGA shall not apply to any Applicant for State Certification required under the Compact a more rigorous standard than that actually applied in the approval of SGA licenses or State Certifications in non-tribal Gaming activities regulated by the SGA. All

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background materials compiled by the SGA in connection with the background investigation of any Applicant for State Certification shall be available to the TGA at the SGA office upon request, subject to any constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of a law enforcement intelligence sharing organization, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

2.2.5 Grounds for Revocation, Suspension, or Denial of State Certification. The SGA may revoke, suspend, or deny a State Certification under the provisions of RCW 9.46.075, and rules promulgated thereunder, for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to, when an Applicant or holder of a State Certification or Principal of an entity:

(a) Is determined to be a person who because of prior activities, criminal record, if any, or reputation, habits or associations poses a threat to the effective regulation of Gaming or creates or enhances the chances of unfair or illegal practices, methods and activities being used in the conduct of the Gaming activities permitted pursuant to the Compact.

(b) Has violated, failed, or refused to comply with the provisions, requirements, conditions, limitations, or duties imposed by any provision of a tribal – state compact.

(c) Has failed to provide any information reasonably required to investigate the application for State Certification or to reveal any fact which the Applicant or holder of State Certification knows or should reasonably know or is material to such application (i.e., a non-disclosure), or by furnishing any information which is untrue or misleading in connection with such application.

(d) Has had a tribal or State gaming license revoked or denied during the twelve (12) months prior to the date the TGA received the application; is currently on probation imposed by any jurisdiction; or has demonstrated a willful disregard or failed to comply with the requirements of any Gaming regulatory authority in any jurisdiction, including offenses that could subject the Individual to suspension, revocation or forfeiture of any gaming license. For the purpose of reviewing any application for a State Certification or for considering the denial of the application, or suspension

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or revocation of any State Certification, the SGA may consider any prior criminal conduct or current probationary status of the Applicant or holder of a State Certification and the provisions of RCW 9.95.240 and RCW 9.96A shall not apply to such cases.

(e) Notwithstanding anything herein to the contrary, in the absence of other violations, it shall not automatically be grounds for revocation, suspension or denial for an Indian person from a federally recognized tribe to have been charged or convicted under State law of the following non-Gambling related offenses if the charge or conviction occurred prior to United States Supreme Court rulings clarifying State jurisdiction over Indians for such offenses as, but not limited to: (1) fishing or hunting offenses; (2) cigarette, fireworks, or alcohol sales offenses; or (3) cases involving the exercise of trust or treaty rights. In the absence of other violations, activities or factors which would warrant denial, revocation or suspension, these Indian persons shall not be barred solely as a result of such activities from State Certification.

(f) The SGA will consult with the TGA prior to denying State Certification to such an Applicant who does not meet the criteria for State Certification. For Tribal Members who are Applicants for Class III Gaming State Certification, and licensing, the SGA and the TGA may waive, by mutual agreement, through a provisional or conditional State Certification, certain criteria for such Tribal Members if the waiver does not pose an appreciable risk to the public or the lawful operation of the Gaming Facility. If the TGA can show extenuating circumstances why a Tribal Member who does not meet all criteria should be further considered for a provisional or conditional State Certification, the TGA and the SGA may agree to a temporary State Certification, based on specific conditions and a further detailed review of the Applicant. Additional fees may be required to maintain a conditional or provisional certification, which the Tribe agrees to pay.

2.2.6 Right to Hearing for Revocation, Suspension, or Denial of State Certification. If an application has not been withdrawn by the TGA during the State Certification review process, any Applicant or holder of a State Certification shall be entitled to notice and a full hearing on any action by the SGA which may result in the revocation, suspension, or denial of State Certification. The notice and hearing will be conducted in accordance with the procedures contained in the applicable

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provisions of RCW 9.46, RCW 34.05, and WAC 230-17, and the records involved shall be governed by the definitions set out in RCW 10.97.030. The SGA shall notify the TGA of any determination under this subsection. If the Applicant or holder appeals in accordance with the above, the TGA will stay its proceeding pending the final outcome of the State appeal; provided, however, nothing herein prevents the TGA from initiating a summary suspension.

2.2.7 Denial, Suspension, or Revocation of Licenses Issued by the TGA. The denial, suspension, or revocation of any Tribal Gaming license by the TGA shall be in accordance with the Compact, the Tribal Gaming Code, and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of Section 2.2.5. The TGA shall notify the SGA of any determination under this subsection. If the Applicant or license holder appeals the revocation, suspension, or denial of State Certification in accordance with Section 2.2.6, the TGA will stay its final proceeding pending the final outcome of the SGA's action.

2.2.8 Duration and Renewal of Tribal Issued Licenses and State Certifications. Any Tribal license or State Certification shall be effective for one (1) year from the date of issuance of the license, State Certification, or temporary license or State Certification, unless otherwise revoked or suspended. A Gaming Employee who has applied for renewal prior to expiration may continue to be employed under a temporary Tribal license or expired State Certification until the TGA or the SGA takes action on the renewal or suspends or revokes the license. Applicants seeking renewal shall provide information updating originally submitted information as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the TGA or the SGA. An additional background investigation shall be required if new information concerning the Applicant's continuing suitability or eligibility for a Tribal license or a State Certification is discovered by either the TGA or the SGA. The SGA shall forward a copy of any updated information to the TGA, subject to any constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of a law enforcement intelligence sharing organization, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

2.2.9 Exchange of Tribal Licensing and State Certification Information. Any administrative action or legal proceeding against a Tribal license will be communicated to, and final disposition forwarded to, the SGA, and any

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administrative action or legal proceeding against a State Certification will be communicated to, and final disposition forwarded to, the TGA. Each agency will maintain these licensing records in accordance with its respective record retention requirement.

2.2.10 Summary Suspension of Tribal License. The TGA, pursuant to the laws and regulations of the Tribe, may summarily suspend any Tribal license if the continued licensing of a person or entity constitutes an immediate and potentially serious threat to the public health, safety, or welfare or interferes with the effective regulation of Gaming.

2.2.11 Summary Suspension of State Certification. The SGA, pursuant to RCW 9.46 and WAC 230-17, may summarily suspend any State Certification if the continued State Certification constitutes an immediate and potential serious threat to public health, safety, or welfare.

2.2.12 Submission to State Administrative Process. Applicants for State Certification submit to State jurisdiction to the extent necessary to determine qualification to hold such State Certification, including all necessary administrative procedures, hearings and appeals pursuant to RCW 9.46, WAC 230-17, and the State Administrative Procedures Act, RCW 34.05. Applicants who are Tribal Members must grant a limited waiver of immunity, defense, or other objection they might otherwise have to the exercise of State jurisdiction for these purposes, but only for the purposes discussed in this subsection. Nothing in this section shall be deemed or interpreted as a waiver of immunity or submission to State jurisdiction for any other purpose or cause of action.

2.2.13 Tribal Certification. The TGA may, in its sole election, rely upon the State Certification of the SGA as the TGA's qualification process for a Tribal Gaming license.

2.2.14 Fees.

(a) For Tribal License. The TGA shall establish the fees for Tribal Gaming licenses.

(b) State Certification. The fees for the initial and the renewal of State Certification shall be determined pursuant to WAC 230-05.

(i) Provided, should actual costs incurred by the SGA exceed the stated fees, those costs will be assessed to the Applicants during

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the investigation process. Payment in full to the SGA will be required prior to beginning or continuing the investigation for the issuance of State Certification.

(ii) The SGA may modify any of the above fees consistent with like fees charged by the SGA for non-compact Gaming elsewhere in the State by giving the Tribe sixty (60) days' notice of intent to modify fees.

2.3 Gaming Employee Eligibility Determination.

2.3.1 A Gaming Employee must be licensed by the TGA and receive an Eligibility Determination by the SGA prior to commencement of employment. Eligibility Determinations are non-transferable.

2.3.2 The TGA may immediately issue a license if the Gaming Employee has a current State Gaming license or State Certification.

2.3.3 Any employee that meets the definition of Gaming Employee, regardless of the employee's job title, must be licensed by the TGA and must also receive an Eligibility Determination from the SGA.

2.3.4 The TGA shall submit a list of the licensed and temporarily licensed Gaming Employees to the SGA at least annually. The TGA shall include the licensee's complete name, aliases, and date of birth in its submission to the SGA.

2.3.5 Tribal Application Forms. Application forms shall include, at a minimum, the information required on State Certification applications and any additional information required by the TGA. All Applicants required to be licensed by the TGA shall complete forms furnished by the TGA and must provide information relating to their complete criminal history, as well as all civil or administrative violations of Gambling laws or regulations. Completed forms shall be accompanied by the application and investigative fees set forth in the TGA's published schedule of fees.

2.3.6 Procedures for Tribal License Applications. The TGA shall be primarily responsible for the conduct of background investigations for all Applicants for Gaming Employee licenses. Each Applicant for a Tribal Gaming Employee license shall submit the completed application along with the required information and fees to the TGA. Each completed application shall include the Applicant's

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fingerprint card(s), Proof of Identity, and any other information required by the TGA.

2.3.7 Background Investigations of Gaming Employee Applicants.

(a) Prior to hiring or licensing a prospective Gaming Employee, the TGA shall obtain sufficient information and identification from the Applicant on forms to be furnished by the TGA to permit a thorough background investigation, together with such fees as may be required by the TGA. The information obtained shall include, at a minimum, name (including any aliases), current address, date and place of birth, criminal arrest and conviction record, two sets of fingerprints, sex, height, weight, and Proof of Identity.

(b) When the TGA has completed its initial investigation of the Applicant, and has issued a temporary license, it will, within five (5) business days, forward the application, Judicial Information System (JIS) results or its electronic equivalent, except as prohibited by federal law or policy; a set of fingerprint cards; Proof of Identity; and the fee required to the SGA for a final criminal history record and non-conviction data review, as authorized under RCW 9.46.210(4) and as defined in RCW 10.97.030.

(c) The SGA shall complete the Eligibility Determination. The SGA may find an Applicant ineligible under the provisions of RCW 9.46.075, and rules promulgated thereunder, for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to, when an Applicant or holder of an Eligibility Determination:

(i) Is determined to be a person who because of prior activities, criminal record, if any, or reputation, habits, or associations, poses a threat to the effective regulation of Gaming or creates or enhances the chances of unfair or illegal practices, methods, and activities being used in the conduct of the Gaming activities permitted pursuant to the Compact;

(ii) Has violated, failed, or refused to comply with the provisions, requirements, conditions, limitations, or duties imposed by any provision of a tribal – state compact;

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(iii) Has failed to provide any information reasonably required to investigate the application, i.e., a non-disclosure;

(iv) Has failed to reveal any fact which the Applicant or holder knows or should reasonably know is material to such application;

(v) Has furnished any information which is untrue or misleading in connection with such application; or

(vi) Has had a tribal gaming license, State gaming license, or State Certification revoked or denied during the twelve (12) months prior to the date the SGA received the application; is currently on probation imposed by any jurisdiction; or has demonstrated a willful disregard or failed to comply with the requirements of any Gaming regulatory authority in any jurisdiction, including offenses that could subject the Individual or entity to suspension, revocation, or forfeiture of any Gaming license. For the purpose of reviewing any application for Eligibility Determination or for considering the denial, suspension or revocation of any Eligibility Determination, the SGA may consider any prior criminal conduct or current probationary status of the Applicant or holder of an Eligibility Determination and the provisions of RCW 9.95.240 and RCW 9.96A shall not apply to such cases.

(d) The SGA shall notify the TGA that either: (i) the criminal history and non-conviction data review has revealed no information which would make the Applicant ineligible for employment pursuant to Section 2.3.7(c); or (ii) the criminal history and non-conviction data review has revealed that the Applicant is ineligible for employment pursuant to Section 2.3.7(c).

(e) The SGA will consult with the TGA prior to issuing an ineligibility determination for Tribal Members after a criminal history and non-conviction data review. For Tribal Members who are Applicants for Eligibility Determination, the TGA and the SGA may waive, by mutual agreement, through a conditional Tribal license, certain criteria for such Tribal Members if the waiver does not pose an appreciable risk to the public or the lawful operation of the Gaming Facilities. If the TGA can show extenuating circumstances why a Tribal Member who does not meet all criteria should be further considered for a conditional Tribal license, the TGA and the SGA may agree that the SGA will issue an Eligibility

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Determination with the conditional Tribal license, based on specific conditions and a further detailed review of the Applicant. Additional fees may be required to maintain a conditional Tribal license, which the TGA agrees to pay.

(f) An Applicant or Gaming Employee who has been determined ineligible for licensing by the SGA after criminal history and non-conviction data review will not be licensed by the TGA except in conformity with Section 2.3.7(e).

(g) All background materials compiled by the SGA in connection with the background investigation of any Applicant for Tribal Licensing or SGA Eligibility Determination verification shall be available to the TGA at the SGA office upon request, subject to any constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of a law enforcement intelligence sharing organization, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

(h) The SGA's determination of a Gaming Employee's eligibility for a Tribal license is valid only at the Gaming Facilities and is non-transferable.

(i) The Gaming Operation shall not hire or continue to employ a Gaming Employee, and shall terminate any probationary Gaming Employee, if the TGA determines that the Applicant or Gaming Employee:

(i) Has been convicted of any offense related to Gambling, or any felony relating to fraud, misrepresentation, deception, or theft, within the past ten (10) years. Nothing herein shall be interpreted to prevent the TGA and/or the SGA from considering juvenile convictions in a suitability determination, nor shall be interpreted to excuse the Applicant's obligation to disclose juvenile convictions or arrests;

(ii) Has provided materially false statements or information on their application or misstated or otherwise attempted to mislead the TGA or the SGA with respect to any material fact contained in the application;

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(iii) Is a member or associate of organized crime or is of notorious or unsavory reputation; or

(iv) Has a reputation, habits, or associations that might pose a threat to the public interest or to the effective regulation and control of Gaming or the Gaming Operation, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods and activities in the conduct of Gaming or the Gaming Operation, or the carrying on of the Tribal and financial arrangements incidental thereto. It is intended that Applicants and Gaming Employees have the continuing burden to satisfy all doubts as to their fitness. Where doubt remains, an Applicant or Gaming Employee is not entitled to be hired or to remain employed.

(j) Additionally, the TGA shall not grant a license to an Applicant unless it is satisfied that:

(i) The Applicant is of good character, honesty, and integrity;

(ii) The Applicant's prior activities, criminal record (if any), reputation, habits, or associations do not pose a threat to the public interest of the Tribe or the State or the effective regulation and control of Gaming or the Gaming Operation pursuant to the Compact, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, and activities in the conduct of Gaming or Gaming Operation or the carrying on of the Tribal and financial arrangements incidental thereto;

(iii) In all other respects, the Applicant is qualified to be licensed or found suitable with the provisions and policies set forth in the Compact; and

(iv) The Applicant has adequate competence and experience in Gaming.

2.3.8 Background Investigations of Gaming Employees. The TGA and the SGA shall retain the right to conduct such additional background investigations of any Gaming Employee at any time during the term of that person's employment and may determine, in accordance with the process outlined in Section 2.3.7, that a

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Gaming Employee is ineligible for licensing if the Gaming Employee does not establish that they satisfy all of the criteria set forth above.

2.3.9 Denial, Suspension, or Revocation of Licenses Issued by TGA. The denial, suspension, or revocation of any Tribal Gaming license by the TGA shall be in accordance with the Compact, Tribal Gaming Code, and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of Section 2.3.7(c). The TGA shall notify the SGA of any determination under this subsection.

2.3.10 Duration and Renewal of Tribal Issued Licenses and Eligibility Determinations.

(a) Any Tribal license shall be effective for no longer than three (3) years from the date of issuance unless the license is otherwise revoked or suspended.

(b) The Eligibility Determination shall be effective for a maximum of three (3) years from the date of Eligibility Determination letter issuance. Should the Tribal licensee become ineligible during the licensure period, the TGA may either revoke the Tribal license or request that the TGA and the SGA agree to mutually waive disqualifying criteria based on the conditional Tribal license as outlined in Section 2.3.7(e).

(c) A licensed Gaming Employee that has applied for renewal prior to expiration may continue to be employed under the expired Tribal license or Eligibility Determination until the TGA or SGA takes action on the renewal application or the license is suspended or revoked. Applicants seeking renewal of a license, Eligibility Determination, or State Certification shall provide information updating originally submitted information as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the TGA or the SGA. An additional background investigation shall be required if new information concerning the Applicant's continuing suitability or eligibility for a Tribal license, or a State Certification is discovered by either the TGA or the SGA. The SGA shall forward a copy of any updated information to the Tribe, subject to any constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of a law enforcement intelligence sharing organization, such as the Law

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Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

2.3.11 Exchange of Tribal Licensing Information. Any administrative action or legal proceeding against a Tribal license will be communicated to the SGA, and the final disposition shall be forwarded the SGA and maintained in accordance with the agency's record retention requirements for licensing records.

2.3.12 Summary Suspension of Tribal License. The TGA, pursuant to the Compact, Tribal Gaming Code, and regulations, may summarily suspend any Tribal license if the continued licensing of a person or entity constitutes an immediate and potentially serious threat to the public health, safety, or welfare or interferes with the effective regulation of Gaming or the Gaming Operation.

2.3.13 Onsite Review. The TGA and the SGA will conduct an annual review in accordance with the Transition MOU. The TGA and the SGA will confirm the accuracy and completeness of each agency's respective Gaming Employee records. The TGA and the SGA will work together to document and resolve any discrepancies and update their respective records as needed.

2.3.14 Fees.

(a) For Tribal License. The TGA shall establish the fees for Tribal Gaming licenses.

(b) Transition. If the Tribe elects to transition to Gaming Employee Eligibility Determinations, initial and renewal fees for Gaming Employees and annual review costs will be documented in an MOU. The TGA will reimburse the SGA for the costs to transition to Eligibility Determination.

2.4 Gaming Employee Registration.

2.4.1 Criteria. Gaming Employee Registration requires the TGA to demonstrate Tribal Licensing expertise without substantial or repeated, material discrepancies in conducting Gaming Employee background investigations. In order to qualify for Gaming Employee Registration, the following criteria must be met:

(a) The Tribe has operated Class III Gaming and the TGA has licensed Gaming Employees for at least twenty (20) years; and

(b) The TGA regularly reviews and updates its regulations; and

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(c) The TGA director has demonstrated active involvement with licensing denial, suspension, and revocation in accordance with the Tribal Gaming Code; and

(d) The TGA has demonstrated a history of active involvement in the licensing process and the Puyallup Tribal Court has demonstrated a history of active involvement in license appeal hearings; and

(e) TGA licensing staff are fully versed in the Judicial Information System (JIS) including the Superior Court Management Information System (SCOMIS) or equivalent systems; and

(f) TGA licensing staff reviews all Gaming Employee information provided in JIS, FBI records, and Lexis Nexis reports or equivalent systems.

The Tribe has demonstrated it meets all of the criteria above as required in Section 2.1.3 and documented in the Transition MOU.

2.4.2 Overview.

(a) Every Gaming Employee shall be licensed by the TGA prior to commencement of employment and at least every three (3) years thereafter. Every Gaming Employee must be registered with the SGA and shall have their Gaming Employee Registration verified by the SGA annually. Registration verifications are non-transferable.

(b) The TGA may immediately issue a license if the Gaming Employee has a current State Gaming license or State Certification issued by the SGA.

(c) Any employee that meets the definition of Gaming Employee, regardless of the employee's job title, must be licensed by the TGA and must also receive Registration verification from the SGA.

(d) The TGA shall provide a list of licensed and temporarily licensed Gaming Employees to the SGA during the annual comparison review in the quarter of each calendar year as determined in the MOU. The TGA shall include the licensee's complete name, aliases, date of birth, and identification number unique to the Individual's Tribal license in its submission to the SGA.

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(e) The TGA, pursuant to the Tribal Gaming Code and regulations, may summarily suspend any Tribal license if the continued licensing of a person or entity constitutes an immediate and potentially serious threat to the public health, safety, or welfare or interferes with the effective regulation of Gaming.

(f) Tribal Gaming Employees shall be licensed by the TGA in accordance with the Tribal Gaming Code and regulations.

(g) The TGA shall establish the fees for Tribal Gaming licenses.

(h) The TGA will forward to the SGA a copy of the final disposition of any administrative action or legal proceeding taken by the TGA against a Tribal Gaming license holder.

2.4.3 Respective Roles for Background Investigations for Tribal Gaming Employee Licenses and State Registration.

(a) Tribal Gaming Agency.

(i) The TGA will be responsible for the issuance of all Tribal Gaming Employee licenses.

(ii) The TGA shall be primarily responsible for conducting background investigations for all Applicants for Tribal Gaming Employee licenses. Each Applicant for a Tribal Gaming Employee license shall submit the completed application along with the required information and fees to the TGA.

(iii) Each completed application at a minimum shall include:

(1) Personal Information, including at least the following:

(A) complete name, aliases,

(B) date of birth,

(C) current address, and

(D) Proof of Identity;

(2) fingerprint card(s);

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(3) information relating to the Applicant's complete criminal history, as well as all civil or administrative violations of Gambling laws or regulations; and

(4) any other information required by the TGA.

(iv) The Gaming Operation shall not hire, or continue to employ a Gaming Employee, and shall terminate any Gaming Employee, if the TGA determines that the Applicant or Gaming Employee:

(1) Has been convicted of any offense related to Gambling, or any felony relating to fraud, misrepresentation, deception, theft, or physical harm to any person within the past ten (10) years;

(2) Has provided materially false statements or information on their application or misstated or otherwise attempted to mislead the TGA or the SGA with respect to any material fact contained in the application;

(3) Is a member or associate of organized crime or is of notorious or unsavory reputation; or

(4) Has a reputation, habits, or associations that might pose a threat to the public interest or to the effective regulation and control of Gaming or the Gaming Operation, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods and activities in the conduct of Gaming or the Gaming Operation or the carrying on of the Tribal and financial arrangements incidental thereto.

(v) It is intended that Applicants and Gaming Employees have the continuing burden to satisfy all doubts as to their fitness. Where doubt remains, an Applicant or Gaming Employee is not entitled to be hired or to remain employed.

(vi) Nothing herein shall be interpreted to prevent the TGA from considering juvenile convictions in a suitability determination, nor shall be interpreted to excuse the Applicant of its obligation to disclose juvenile convictions or arrests.

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(vii) Additionally, the TGA shall not grant an application for a license unless it is satisfied that the Applicant's prior activities, criminal record (if any), reputation, habits, or associations do not pose a threat to the public interest of the Tribe or the State or the effective regulation and control of Gaming or the Gaming Operation pursuant to the Compact, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, and activities in the conduct of Gaming or the Gaming Operation or the carrying on of the Tribal and financial arrangements incidental thereto.

(viii) When the TGA has completed its investigation of the Gaming Employee Applicant and has issued a temporary license, it will within five (5) business days:

(1) Register online with the SGA a new or renewing Gaming Employee or notify the SGA of a Change of Name and pay the respective fees; or

(2) Mail a new or renewal Gaming Employee Registration or Change of Name application with respective fees.

(ix) The Registration will include: the Applicant's personal information; identification number unique to the Individual's Tribal license; results of the TGA's investigation and summary of investigative results found except as prohibited by federal law or policy; Proof of Identity; a set of fingerprint cards; Judicial Information System (JIS) results or its electronic equivalent; and the applicable fees to the SGA.

(x) The TGA will use the SGA's online process to notify the SGA when a Gaming Employee is no longer employed and/or licensed by the TGA.

(b) State Gaming Agency.

(i) The SGA will conduct an annual verification of Gaming Employee Registrations that are received either online or by mail.

(ii) The SGA will complete the verification and notify the TGA if the results indicate the person may be unqualified pursuant to this section. If the SGA does not object, the Gaming Employee

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Registration will expire no later than three (3) years from the date of the Gaming Employee Registration, or upon notification of a Tribal license revocation, or the person is no longer licensed by the TGA, whichever occurs earlier.

(iii) The SGA retains the right to conduct an additional verification of the Gaming Employee Registration of any Gaming Employee at any time. There will be no additional cost to the TGA.

(iv) The SGA's verification of the Gaming Employee's Registration is valid only at the Gaming Facilities and is non-transferable.

(v) For verification of the Gaming Employee Registration, the SGA may consider any prior criminal conduct or current probationary status of the Gaming Employee and the provisions of RCW 9.95.240 and RCW 9.96A shall not apply to such cases.

(vi) The Gaming Employee Registration will also include information as authorized under RCW 9.46.210(4) and as defined in RCW 10.97.030.

(vii) The SGA may find a person to be unqualified under the provisions of RCW 9.46.075 and rules promulgated thereunder. The SGA may also find a person to be unqualified if such person has engaged in an activity contrary to the public interest, including but not limited to the following:

(1) Who because of prior activities, criminal record, if any, or reputation, habits, or associations poses a threat to the effective regulation of Gaming or creates or enhances the chances of unfair or illegal practices, methods, and activities being used in the conduct of the Gaming activities permitted pursuant to the Compact;

(2) Has violated, failed, or refused to comply with the provisions, requirements, conditions, limitations, or duties imposed by any provision of a tribal – state compact;

(3) Has failed to provide any information reasonably required for Gaming Employee Registration;

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(4) Has failed to reveal any fact which the person knows or should reasonably know is material to Gaming Employee Registration;

(5) Has furnished anything untrue or misleading in connection with Gaming Employee Registration information;

(6) Has had a Gaming license suspended for one (1) year or longer, revoked or denied during the twelve (12) months prior to the date of Gaming Employee Registration with the SGA; is currently on probation imposed by any jurisdiction; or has demonstrated a willful disregard or failed to comply with the requirements of any Gaming regulatory authority in any jurisdiction, including offenses that could subject the Individual to suspension, revocation, or forfeiture of any Gaming license; or

(7) Has demonstrated a willful disregard or failed to comply with the requirements of any Gaming regulatory authority in any jurisdiction, including offenses that could subject the person to suspension, revocation, or forfeiture of any Gaming license.

(viii) The SGA will work with the TGA when determining a person may be unqualified for a Gaming Employee Registration.

(ix) If a person may be unqualified for a Gaming Employee Registration, the materials compiled by the SGA will be available to the TGA at the SGA office upon request, subject to any constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of the Association of a law enforcement intelligence sharing organization, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

(x) Onsite Review. The SGA and the TGA will conduct an annual Gaming Employee comparison review in a specific quarter of each calendar year determined in the MOU. The SGA and the TGA will confirm the accuracy and completeness of each agency's

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respective Gaming Employee records. The TGA and the SGA will work together to document and resolve any discrepancies and update their respective records as needed.

(c) Tribal Gaming Agency and State Gaming Agency.

(i) A licensed Gaming Employee seeking renewal of their Gaming Employee license or re-registering with the SGA shall update information originally submitted, as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the TGA or the SGA. A Gaming Employee that has applied for renewal prior to expiration may continue to work under the expired Tribal license until the TGA or the SGA takes action on the renewal application.

(ii) For persons found to be unqualified at any time they are registered by the SGA, the TGA and the SGA will work together to determine if the person should work for the Gaming Operation in a position that requires a Gaming Employee license. If the TGA can show extenuating circumstances why a person who does not meet all criteria should be further considered, the TGA may waive, through a conditional Gaming Employee license, certain criteria if the waiver does not pose an appreciable risk to the public or the lawful operation of the Gaming Operation or meet the criteria under Section 2.4.3(a)(iv).

(iii) If, after working with the TGA, the SGA still finds the person unqualified, the SGA will provide written notice to the TGA itemizing the objections. The TGA, however, will make the final decision whether to issue a license or continue employment of the person. The SGA's Gaming Employee Registration of the person will be limited to the TGA only and the TGA will continue to register the person with the SGA as long as the person is employed by the Tribe in a Class III Gaming position.

(d) Transition. If the Tribe elects to transition to Registration, initial and renewal fees for Gaming Employees and annual review costs will be documented in an MOU. The TGA will reimburse the SGA for the costs to transition to Registration.

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SECTION 3 REQUIREMENTS FOR TRIBAL LICENSING AND STATE CERTIFICATION OF MANUFACTURERS AND SUPPLIERS OF GAMING SERVICES AND FINANCIERS

3.1 Manufacturers and Suppliers of Gaming Services.

3.1.1 Each manufacturer and supplier of Gaming Services and its representatives shall be licensed by the TGA and receive State Certification from the SGA prior to the sale of any Gaming Services to the Tribe. If a supplier or manufacturer is currently licensed or State certified by the SGA to supply Gaming Services pursuant to RCW 9.46.070, it shall be deemed State certified to supply the same Gaming Services to the Tribe for the purposes of the Compact. The licensing and State Certification shall be maintained annually after the initial State Certification.

3.1.2 The Tribe may, if it chooses, contract for management of the Gaming Facilities and Gaming Operation. Any such contract shall subject the manager to the terms of the Compact, including licensing pursuant to the requirements of this section.

3.1.3 Firms or representatives providing professional legal and accounting services, when licensed by the Washington State Bar Association or the Washington State Supreme Court, the Washington State Board of Accountancy, or an equivalent State or Provincial licensing body that has a reciprocity agreement with Washington State, will not be subject to Tribal licensure or State Certification.

3.1.4 In the event a manufacturer or supplier demonstrates that their anticipated profits from sales will be below the cost of obtaining a State Certification, it may apply for an abbreviated form of State Certification currently known as a special sales permit.

3.1.5 In the event a manufacturer or supplier provides or intends to provide less than fifty-five thousand dollars ($55,000) worth of Gaming Services annually, the licensing and State Certification requirements may be waived upon the mutual agreement of the TGA and the SGA. Beginning on the third anniversary of the effective date of this Appendix and every three (3) years thereafter, this amount shall be increased by a percentage equal to the increase in the Consumer Price Index-All Urban Consumers (CPI-U), or if unavailable or discontinued, an alternative index agreed upon by the Parties, over the prior three (3) year period.

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3.2 Financiers.

3.2.1 Any party who intends to extend financing, directly or indirectly, to a Gaming Facility or Gaming Operation must obtain State Certification and a Tribal license before executing any financing agreement and annually thereafter as long as the financing agreement is in effect. The source of all funds must be disclosed and any financing agreement(s) must be made available to the SGA, or if for a horse racing Satellite Wagering Facility and related activities, to the Washington Horse Racing Commission, for review prior to executing the financing agreement.

3.2.2 The requirements in Section 3.3 do not apply to financing provided by a federal or state regulated commercial lending institution, the Tribe, or the federal government. Federal or state regulated commercial lending institutions are those regulated by the Securities and Exchange Commission, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the United States Federal Reserve System, the National Credit Union Administration, or the Washington State Department of Financial Institutions or equivalent agency of another state.

3.3 Process.

3.3.1 Overview.

(a) The SGA shall be primarily responsible for conducting background investigations for all who apply for State Certification for financier, manufacturer, and/or supplier of Gaming Services and their representative(s). Each completed Tribal Gaming license application for a financier, manufacturer, and/or supplier of Gaming Services submitted to the TGA will include the required information and fees, as set by the TGA. In addition, each financier, manufacturer, and/or supplier of Gaming Services and their representative(s) shall apply for State Certification and shall submit the completed application(s) along with the required information and fees to the SGA. Each completed application shall include fingerprint card(s), Proof of Identity, and any other information required by the SGA. These provisions shall also apply to Principals of a business entity Applicant and their spouses who must be able to meet the same State Certification requirements and who may be required to submit this information.

(b) Upon completion of the necessary background investigation, the SGA shall either issue a State Certification to the financier, manufacturer,

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and/or supplier of Gaming Services or deny the application(s) based on criteria set forth in the Compact and/or RCW 9.46 and WAC 230-17.

(c) Each manufacturer and supplier of Gaming Services shall obtain a State Certification and Tribal license before the sale or installation of any Gaming Services, except as provided under Section 3.1.5.

(d) If a financier is licensed by the SGA, it will be deemed State certified.

3.3.2 Duration and Renewal of Tribal Issued Licenses and State Certifications.

(a) Any Tribal license or State Certification shall be effective for one year from the date of issuance of the license or State Certification, unless the license or State Certification is otherwise revoked or suspended.

(b) Applicants seeking renewal of a license or State Certification shall provide information updating originally submitted information as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the TGA or the SGA. Additional background investigation shall be required if new information concerning the Applicant's continuing suitability or eligibility for a Tribal license or a State Certification is discovered by either the TGA or the SGA. Any updated information received by the SGA shall be available to the TGA at the SGA's office upon request, subject to any of the constraints imposed by the SGA's accreditation as a law enforcement agency, requirements under RCW 9.46.210(4) and RCW 10.97, and status as a member of a law enforcement intelligence sharing organization, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.

3.3.3 Grounds for Revocation, Suspension, or Denial of State Certification.

(a) The SGA may deny, suspend, or revoke a State Certification under the provisions of RCW 9.46.075, and rules promulgated thereunder, for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to, when an Applicant or holder of a State Certification or Principal of an entity:

(i) Is determined to be a person who because of prior activities, criminal record, if any, or reputation, habits, or associations poses a threat to the effective regulation of Gaming or creates or

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enhances the chances of unfair or illegal practices, methods, and activities being used in the conduct of the Gaming activities permitted pursuant to the Compact;

(ii) Has violated, failed, or refused to comply with the provisions, requirements, conditions, limitations, or duties imposed by any provision of a tribal – state compact;

(iii) Has failed to provide any information reasonably required to investigate the application for State Certification;

(iv) Has failed to reveal any fact which the Applicant or holder knows or should reasonably know is material to such application;

(v) Has furnished any information which is untrue or misleading in connection with such application; or

(vi) Has had a Tribal Gaming license or State Gaming license or State Certification revoked or denied during the twelve (12) months prior to the date the SGA received the application; is currently on probation imposed by any jurisdiction; or has demonstrated a willful disregard or failed to comply with the requirements of any Gaming regulatory authority in any jurisdiction, including offenses that could subject the Individual to suspension, revocation, or forfeiture of any Gaming license. The TGA will forward to the SGA a copy of the final disposition of any administrative action or legal proceeding taken by the TGA against a Tribal license issued to a financier, manufacturer, and/or supplier of Gaming Services.

(b) For the purpose of reviewing any application for State Certification or for considering the denial, suspension, or revocation of any State Certification, the SGA may consider any prior criminal conduct or current probationary status of the Applicant or holder of a State Certification and the provisions of RCW 9.95.240 and RCW 9.96A shall not apply to such cases.

(c) The SGA will consult with the TGA prior to denying a State Certification when the Gaming Operation is considering using the financier, manufacturer, or supplier of Gaming Services.

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3.3.4 Right to Hearing for Revocation, Suspension, or Denial of State Certification. If an application has not been withdrawn by the TGA during the State Certification review process, any Applicant for State Certification or holder of a State Certification shall be entitled to notice and a full hearing on any action by the SGA which may result in the revocation, suspension, or denial of State Certification. The notice and hearing will be conducted in accordance with the procedures contained in the applicable provisions of RCW 9.46, RCW 34.05, and WAC 230-17, and the records involved shall be governed by the definitions set out in RCW 10.97.030. Nothing herein shall prevent the TGA from invoking its own disciplinary procedures and proceedings at any time. The TGA shall have the right to appear and present argument and/or evidence in any hearings held pursuant to this section.

3.3.5 Denial, Suspension, or Revocation of Licenses Issued by TGA. The denial, suspension, or revocation of any Tribal Gaming license by the TGA shall be in accordance with the Compact, Tribal Gaming Code, and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of Section 3.3.3.

3.3.6 Summary Suspension of Tribal License. The TGA, pursuant to the Tribal Gaming Code, may summarily suspend any Tribal license if the continued licensing of an Individual constitutes an immediate and potentially serious threat to the public health, safety, or welfare or interferes with the effective regulation of Gaming or the Gaming Operation.

3.3.7 Summary Suspension of State Certification. The SGA, pursuant to RCW 9.46 and WAC 230-17, may summarily suspend any State Certification if the continued State Certification constitutes an immediate and potential serious threat to public health, safety or welfare.

3.3.8 Submission to State Administrative Process. Applicants for State Certification submit to State jurisdiction to the extent necessary to determine qualification to hold such State Certification, including all necessary administrative procedures, hearings and appeals pursuant to RCW 9.46, WAC 230-17, and the State Administrative Procedure Act, RCW 34.05.

3.3.9 Fees. The fees for initial and the renewal of State Certification shall be determined pursuant to WAC 230-05 for Manufacturers, Suppliers of Gaming Services, and financiers, and its representatives. Payment in full to the SGA will be required prior to beginning the investigation for the issuance of State

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Certification. Provided, should actual costs incurred by the SGA exceed the stated fees, those costs will be assessed to the Applicants during the investigation process.

SECTION 4 SPORTS WAGERING LICENSING AND STATE CERTIFICATION

The TGA and the SGA will share information about significant licensing and State Certification matters that reflect on the conduct of Sports Wagering.

4.1 Sports Wagering Vendors. Each Sports Wagering Vendor must be licensed by the TGA and receive State Certification from the SGA in accordance with this section prior to the sale or delivery of any component of the Sports Wagering System or Sports Wagering services to the Tribe; however, to the extent they are not addressed herein, Section 2 and Section 3 of this Appendix will apply. If a Sports Wagering Vendor has a State Certification from the SGA to supply any component of the Sports Wagering System or Sports Wagering services to any other tribe in Washington State, it shall be deemed State certified to supply similar goods or services to the Tribe for the purposes of Appendix S, provided that such goods and services are within the same Sports Wagering Vendor category, each of which are described in Sections 4.1.1–4.1.3.

4.1.1 Major Sports Wagering Vendor. Any person or entity that provides goods or services integral to Sports Wagering must be licensed as a Major Sports Wagering Vendor by the TGA and receive State Certification from the SGA. The following vendors are integral to Sports Wagering:

(a) Manager of the Tribe's Sports Wagering activities pursuant to an agreement approved by the National Indian Gaming Commission;

(b) When the Tribe manages its own Sports Wagering activities, the Tribe's primary consultant who provides substantial Sports Wagering related services;

(c) Any manufacturer or distributor of the Sports Wagering System or a component thereof;

(d) Provider of book-making services; or

(e) Provider of Sports Wagering risk management services.

4.1.2 Mid-Level Sports Wagering Vendor. Any entity that provides security or integrity services directly related to Sports Wagering must be licensed as a Mid-Level

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Sports Wagering Vendor by the TGA and receive State Certification from the SGA. For the purpose of this subsection, security or integrity services include the following:

(a) Integrity monitoring services;

(b) Services related to compilation, furnishing, or storage of official data for use in Sports Wagering;

(c) System security testing or certification services directly related to initial or annual testing or assessment of the Sports Wagering System security;

(d) Services directly related to the creation and maintenance of a Geofence to ensure that wagers are placed within the Premises;

(e) Player Account management services, including Software-as-a-Service (SaaS); and

(f) Any other provider of security or integrity services that the TGA and the SGA agree must be licensed and receive State Certification as a Mid-Level Sports Wagering Vendor because the provider's services are directly related to Sports Wagering.

4.1.3 Ancillary Sports Wagering Vendors. Any entity that provides necessary support services to Sports Wagering must be licensed as an Ancillary Sports Wagering Vendor by the TGA and receive State Certification from the SGA. For the purpose of this subsection, support services include at least the following:

(a) Services related to the offering of mobile payment processing for use in Mobile Sports Wagering;

(b) Know your customer services for use in Mobile Sports Wagering; and

(c) Marketing services in which compensation for such services is, by contract, determined by the Tribe's Sports Wagering revenue.

4.1.4 In the event a Sports Wagering Vendor provides or intends to provide Sports Wagering goods or services less than the limit set forth in Section 3.1.5 annually, the licensing requirements may be waived upon the mutual agreement of the TGA and the SGA. This waiver does not apply to Sports Wagering Vendors whose

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compensation is contractually determined by the Tribe's Sports Wagering revenue.

4.2 Tribal Licensing of Sports Wagering Vendors. All Applicants required to be licensed by the Tribe shall complete forms furnished by the TGA. The TGA shall establish the Tribal Licensing fees for Sports Wagering Vendors.

4.3 State Certification of Sports Wagering Vendors. Each Sports Wagering Vendor and its representatives shall apply for State Certification by the SGA and shall submit the completed applications along with the required information and fees to the SGA. The SGA shall expedite Sports Wagering Vendor State Certification requests. For Applicants who are business entities, the State's application and investigation will extend to each Principal of the entity but will not apply to spouses of any Principals. The SGA will conduct interviews virtually and review documents electronically when possible. The SGA will perform a site visit if an Applicant requests a site visit or if the SGA determines that the information sought is critical to its investigation and such information cannot be obtained by other reasonable measures.

4.4 Fees for State Certification. The fees for initial and renewal State Certification shall be determined pursuant to Title 230 WAC for Sports Wagering Vendors and their representatives.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX S
(AMENDED AND RESTATED)

SPORTS WAGERING

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APPENDIX S

SPORTS WAGERING

SECTION 1 INTRODUCTION

It is the intent of the Parties for the Tribe to operate Sports Wagering that will enhance the Tribe's existing Gaming Operation and draw customers into regulated Sports Wagering and away from illegal sports wagering. Tribes in Washington State have more than twenty-five (25) years' experience with, and a proven track record of, successfully operating gaming in accordance with their compacts. Tribes in Washington and the SGA have a proven track record of successfully regulating gaming together in accordance with respective compacts. The Parties agree that Sports Wagering must be fair, secure, and maintain the highest integrity to ensure public confidence.

Sports Wagering conducted under this Appendix is authorized bookmaking and is not subject to civil or criminal penalties under RCW 9.46. Gambling information transmitted over the internet for any Sports Wagering conducted and operated under this Appendix is authorized. Mobile Sports Wagering does not constitute online Gambling when operated within the limitations of this Appendix and requirements of the Federal Wire Act, 18 U.S.C. § 1084, as now or hereafter amended.

This Appendix describes, authorizes, and sets forth, consistent with House Bill 2638 (2020), provisions applicable to the operation of Sports Wagering. This Appendix sets out conditions under which the Tribe and State will share information about significant events that reflect on the conduct of Sports Wagering so that both Parties are informed of such events in this highly regulated environment. Compact provisions that are not addressed in this Appendix remain in full force and effect, unless and until they are subsequently amended pursuant to the processes set forth in the Compact.

This Appendix, as originally added to the Compact by the Sixth Amendment in 2021, contained interdependent conditions and consequences that were accepted as a whole in order to operate or participate in Sports Wagering. In 2025, the Tribe amended and restated its Compact, and as part of that effort, portions of this Appendix S were updated to better align with the Compact. This Appendix S was bargained for and in exchange for all of the terms contained herein, as well as Compact Section III.

SECTION 2 DEFINITIONS

Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

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SECTION 3 SPORTS WAGERING ACTIVITIES AND LOCATION

3.1 Sportsbook. The Sportsbook must be located within a Gaming Facility. A Sportsbook authorized by this Appendix will be inspected by the TGA and the SGA prior to commencement of operation to verify its conformity with the requirements of this Appendix. If a Sportsbook fails to meet any requirements of this Appendix, the TGA and/or the SGA will send a non-compliance letter to the Tribe and Chief Executive Officer within seven (7) working days after completion of the inspection. If the TGA and the SGA do not agree on whether a Sportsbook meets the requirements, the TGA and the SGA will meet within seven (7) working days from receipt of the non-compliance letter and work together to resolve concerns. If a dispute regarding this inspection cannot be resolved by the TGA and the SGA within thirty (30) days, the Parties may seek dispute resolution pursuant to the Compact.

3.2 Server. The server or other equipment used to accept and redeem Sports Wagers must be located within a Gaming Facility. Cloud Storage may be used for duplicate or backup Sports Wagering data, provided that such Cloud Storage facilities are located in Washington State.

3.3 Mobile Sports Wagering. The Gaming Operation must use a Geofence to ensure that all Mobile Sports Wagering must occur within the Premises. No less than sixty (60) days prior to offering Mobile Sports Wagering, the Gaming Operation must submit a proposal to the TGA for review and approval, and the TGA will forward the approved proposal to the SGA for concurrence, which at a minimum must include, as applicable: (a) a description of the Geofence technology that it will use to prevent Patrons from placing a Sports Wager, using a Mobile Device, outside of the Premises; and (b) a map of the Premises. If the TGA and the SGA take no action within sixty (60) days of receipt, the Tribe may implement the proposal. Any substantial change in the Geofence technology will require that the Gaming Operation submit a revised proposal to the TGA for review and approval, and the TGA will forward the approved proposal to the SGA for concurrence in accordance with this section. The TGA and the SGA may only disapprove such portions of a proposal they find do not meet the requirements of this Appendix and must detail the reasons for disapproval. If a dispute regarding a proposal cannot be resolved by the TGA and the SGA within sixty (60) days, the Parties may seek dispute resolution pursuant to the Compact.

SECTION 4 SPORTS WAGERING KIOSKS

4.1 Location. Sports Wagering Kiosks may be located anywhere within the Premises and are subject to the surveillance requirements imposed by Section 5.7.

4.2 On Gaming Floor. Sports Wagering Kiosks located on the Gaming floor are subject to the limits on anonymous Sports Wagers described in Section 7.1.1.

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4.3 Off Gaming Floor. Sports Wagering Kiosks located off the Gaming floor may not allow anonymous Sports Wagers or Cash redemption.

4.4 Pre-operation Inspection. Sports Wagering Kiosks authorized by this Appendix will be inspected by the TGA and the SGA prior to commencement of operation to verify its conformity with the requirements of this Appendix. If a Sports Wagering Kiosk fails to meet any requirements of this Appendix, the TGA and/or the SGA will send a non-compliance letter to the Tribe and Chief Executive Officer within seven (7) working days after completion of the inspection. If the TGA and the SGA do not agree on whether a Sports Wagering Kiosk meets the requirements, the TGA and the SGA will meet within seven (7) working days from receipt of the non-compliance letter and work together to resolve concerns. If a dispute regarding this inspection cannot be resolved by the TGA and the SGA within thirty (30) days, the Parties may seek dispute resolution pursuant to the Compact.

SECTION 5 STANDARDS OF CONDUCT AND OPERATION

5.1 Approved Sports Wagers. The Gaming Operation may accept a Sports Wager on any event conducted by a league or organization, provided that the league, organization, and wager type are listed on the Authorized Sports Wagering Menu.

5.1.1 Posting.

(a) A list of Sports Wagers available at the Gaming Operation will be made available to its Patrons.

(b) The SGA will post the Authorized Sports Wagering Menu on its website or otherwise make it available to the public.

5.1.2 Initial Authorized Sports Wagering Menu. The initial Authorized Sports Wagering Menu will include every league, organization, and wager type authorized by any U.S. jurisdiction or jurisdictions as mutually agreed upon by the Parties as of the effective date of this Appendix, except for Prohibited Activities as listed in Section 5.2.

5.1.3 Additions to Authorized Sports Wagering Menu.

(a) The Gaming Operation may apply to the TGA, in the form required by the TGA, to add additional leagues, organizations, or wager types to the Authorized Sports Wagering Menu. The TGA will provide notice to the SGA of any approval no fewer than five (5) business days before the Gaming

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Operation intends to offer a Sports Wager on the new league, organization, or wager type.

(b) If the SGA believes that the new league, organization, or wager type violates RCW 9.46.037, RCW 9.46.038, or this Appendix or otherwise lacks integrity, the SGA will immediately notify the TGA, and no Sports Wagers will be offered by the Gaming Operation on the new league, organization, or wager type. The TGA and the SGA will meet within five (5) business days of the TGA's initial notice to the SGA of its approval to discuss the SGA's concerns. The timeframe for meeting may be extended by mutual agreement. If, after meeting, the TGA and the SGA cannot come to agreement on the TGA's determination, the Gaming Operation may offer the Sports Wager(s) at issue and the SGA may initiate dispute resolution pursuant to the Compact.

5.1.4 Removals from the Authorized Sports Wagering Menu.

(a) The TGA and the SGA will immediately notify the other agency if they believe a league, organization, or wager type on the Authorized Sports Wagering Menu violates RCW 9.46.037, RCW 9.46.038, or this Appendix, lacks integrity, or has otherwise become compromised and believe it should be removed from the Authorized Sports Wagering Menu.

(b) If the TGA and the SGA agree on the removal, the SGA will provide statewide notice to each tribal gaming agency of a tribe that operates sports wagering, and inquire whether each tribal gaming agency agrees with the removal. The SGA may remove a league, organization, or wager type when all such tribal gaming agencies affirmatively consent to removal.

(c) If the TGA and the SGA disagree on whether an item should be removed, the TGA and the SGA will meet within five (5) business days of the notice to discuss each agency's concerns. The timeframe for meeting may be extended by mutual agreement. If after meeting, the TGA and the SGA cannot come to agreement on whether to remove the league, organization, or wager type from the Authorized Sports Wagering Menu, the Gaming Operation may continue to offer the Sports Wager(s) at issue and the SGA may initiate dispute resolution pursuant to the Compact.

5.1.5 Removals from the Gaming Operation's List of Available Sports Wagers. If the Tribe intends to remove a league, organization, or wager type from its list of

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available Sports Wagers as described in Section 5.1.1(a), the TGA will notify the SGA within five (5) business days after removal.

5.1.6 Layoff Wagers. The Gaming Operation may, in its discretion and subject to limitations imposed by state and federal laws, make or accept Layoff Wagers. The Gaming Operation must disclose its identity to the entity that is accepting the wager. Such wagers must be reported to the TGA.

5.2 Prohibited Activities and Participants.

5.2.1 Prohibited Activities.

(a) The Gaming Operation may not accept any Sports Wager on a Collegiate Sport Event or Collegiate Athletic Event offered or sponsored by a Washington collegiate institution.

(b) The Gaming Operation may not accept any Sports Wager on a Minor League sport.

(c) Sports Wagers are not transferrable between Patrons.

(d) No Gaming Employee may advise or encourage Patrons to place a Sports Wager of any specific type, kind, subject, or amount. This restriction does not prohibit general advertising, promotional activities, or answering general questions about Sports Wagers.

(e) The Gaming Operation will not knowingly accept a Sports Wager on an event where the outcome has already been determined (past posting).

5.2.2 Prohibited Participants. The Gaming Operation will make all reasonable efforts to confirm that any Patron seeking to engage in Sports Wagering is not a Prohibited Sports Wagering Participant. Prohibited Sports Wagering Participant means:

(a) Any person under 18 years of age;

(b) Any person placing a wager as an agent or proxy;

(c) Any athlete whose performance may be used to determine, in whole or in part, the outcome of such wagering;

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(d) Any person who is an athlete, player, coach, manager, referee or other game official, physician, trainer, team employee or governing body employee, in any sports event overseen by such person's Sports Governing Body;

(e) Any person with access to material, exclusive, non-public confidential information about a sports event that is the subject of such wagering;

(f) Any person identified to the TGA and the SGA by a Sports Governing Body that the TGA and the SGA agree is a person who should be a Prohibited Sports Wagering Participant;

(g) Any person who holds a position of authority or influence sufficient to exert influence over the participants in a sports event that is the subject of a wager;

(h) Any person the Gaming Operation knows or reasonably should know, is placing a wager by, or on behalf of a Prohibited Sports Wagering Participant; and

(i) Any person whose participation may undermine the integrity of wagering on a sports event or the conduct of such sports event itself, or any person who is prohibited for other good cause.

5.3 Sports Wagering System. No Sports Wagering System may be offered for play unless it has been tested and certified by an Independent Test Laboratory as meeting the requirements set forth in Section 5.3.2, and approved in accordance with Section 5.3.6.

5.3.1 Independent Test Laboratory. Any Independent Test Laboratory shall have demonstrated it is competent and qualified to conduct scientific tests and evaluations of the Sports Wagering System and must be licensed by the TGA and certified by the SGA. The SGA will maintain a list of licensed Independent Test Laboratories.

5.3.2 Minimum Standards. The Sports Wagering System must meet or exceed Gaming Laboratories International's GLI-33: Standards for Event Wagering Systems, and its appendices, as amended or modified ("GLI-33"), and the standards established by this Appendix and any applicable provision of the Compact. Alternative standards may be agreed to by the TGA and the SGA if the standards meet the requirements established in this Appendix.

5.3.3 Independent Test Laboratory Reports and Certification. At the conclusion of testing, the Independent Test Laboratory shall provide to the TGA and the SGA a report that contains findings, conclusions, and a certification that the Sports Wagering System

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conforms to the requirements contained in this Appendix. If the Independent Test Laboratory determines that the Sports Wagering System fails to conform to such requirements or technical standards, and if modifications can be made which would bring the Sports Wagering System into compliance, the report may contain recommendations for such modifications. If the Independent Test Laboratory provides sufficient documentation that the Sports Wagering System or a component thereof has been tested and certified by that Independent Test Laboratory, without any subsequent modifications, within the past one hundred eighty (180) days, the Independent Test Laboratory may provide to the TGA and the SGA a report that contains findings, conclusions, and the certification from the previous testing and that shall be sufficient to satisfy this requirement.

5.3.4 Modifications. No substantive modification to any Sports Wagering System may be made after testing, certification, and approval of a Sports Wagering System without certification of the modification by an Independent Test Laboratory. The following modifications are not considered substantive and do not require notification to the SGA: (a) Changes to content not related to any regulated feature; (b) Installation or changes to backup software; (c) Adding or removing users; and (d) Any system configuration changes that have no impact on the accuracy of report information including Gaming revenue.

5.3.5 Emergency Certifications. Nothing in this subsection prevents the immediate resolution of a critically urgent problem as long as documentation is submitted to the TGA and the SGA that details the specifics of the emergency situation and the steps taken to remedy the emergency. Once the emergency situation has passed, any substantive modification must go through the process described in Section 5.3.3.

5.3.6 Approval of Certification; Revocation. The TGA shall approve or disapprove of the Sports Wagering System or a component thereof after reviewing the certification, technical standards tested, and results of testing from the Independent Test Laboratory, and will notify the SGA of its findings and decision. The SGA will notify the TGA if the SGA determines a certification from the Independent Test Laboratory was issued in error. The TGA and the SGA will meet and confer to discuss the SGA's concerns. The TGA may revoke its approval of the Sports Wagering System or a component thereof if it finds that the certification was erroneous.

5.3.7 Training. The SGA will collaborate with the TGA to provide training opportunities at agreed upon location(s).

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5.3.8 Security Assessment. Prior to offering Sports Wagering and annually thereafter, the Gaming Operation must perform a system integrity and security assessment of the Sports Wagering System, which shall be conducted by an independent technical expert selected by the Gaming Operation and licensed by the TGA and certified by the SGA. The independent technical expert's report will be submitted to the TGA and the SGA and will include: (a) the scope of review; (b) name and company affiliation of the person(s) who conducted the assessment; (c) date of assessment; (d) findings, (e) recommended corrective action, if applicable; and (f) the Gaming Operation's response to the findings and recommended corrective action, if applicable.

5.3.9 Required Reports. The Sports Wagering System must be capable of generating those reports necessary to record the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to Sports Wagering as deemed necessary by the TGA or as required by Internal Controls. These reports may include, but are not limited to: (a) Gaming Operation revenue reports; (b) Gaming Operation liability reports; (c) Future events reports; (d) Significant events and alterations reports; (e) Wager record information reports; (f) Market information reports; (g) Contest/tournament information reports; (h) Player Account information reports; (i) Sports Wagering System information reports; (j) Significant event information reports; (k) User access information reports; and (l) Any other reports required by the TGA.

5.3.10 Future Technology Permitted. Upon approval by both Parties, any technology not specifically authorized by this Appendix may be utilized if the proposed technology will protect, maintain, or enhance current integrity and security standards in the Compact or this Appendix.

5.4 Wagering Limits. Appropriate Sports Wagering limits will be set by the Gaming Operation, consistent with limitations on anonymous Sports Wagering in accordance with Section 7.1.1 and the Reserve Requirement in Section 5.5.

5.5 Reserve Requirement. The Gaming Operation must have the ability to cover all outstanding Sports Wagering liabilities.

5.6 Player Accounts.

5.6.1 Account Required. A Player Account is required to engage in Mobile Sports Wagering. The Gaming Operation will limit each Patron to one active account and username. The Gaming Operation will implement rules and procedures to terminate

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all accounts of any Patron who knowingly and intentionally establishes or seeks to establish multiple active accounts, whether directly or by use of another person as a proxy.

5.6.2 In-Person Registration. To establish a Player Account, a Patron must register in-person at the Gaming Facility and provide, at a minimum, the following information: (a) legal name; (b) date of birth; (c) social security number, or the last four digits thereof, or an equivalent identification number for a noncitizen Patron, such as a passport or taxpayer identification number; (d) residential address; (e) email address, if any; and (f) telephone number, if any. The Gaming Operation must verify the Patron's identity against a form of valid, federal, state, or tribal government-issued photo identification. The Gaming Operation may utilize a third-party know your customer services or governmental database to authenticate a Patron's identity or information. Prior to issuing a Patron a Player Account, the Patron must accept the Gaming Operation's terms and conditions for Sports Wagering, which must, at a minimum, notify the Patron that the Player Account is non-transferrable and that the Patron is prohibited from allowing any other person to access or use the Player Account.

5.6.3 Account Funding. A Player Account may be funded with U.S. currency through the use of: (a) Cash; (b) Cash Equivalent; (c) a Patron's deposit of Cash or vouchers at the Sportsbook or other cashiering location, (d) promotional credit; (e) winnings; (f) adjustments made by the Gaming Operation with documented notification to the Patron; or (g) any other means approved by the TGA and the SGA.

5.6.4 Player Account Controls. The Gaming Operation must implement Player Account controls that meet or exceed those in Gaming Laboratories International's GLI-33 (Standards for Event Wagering Systems), as amended or modified, or equivalent standards as approved by the TGA with concurrence from the SGA, and the standards established by this Appendix.

5.7 Surveillance. All physical components of the Sports Wagering System, except wiring, cables, and conduit in which they are located, shall have the ability to be effectively and clandestinely monitored and recorded by means of a Closed Surveillance System in accordance with the Compact (including but not limited to Appendix A), or as otherwise provided in the Tribe's Internal Controls. Mobile Devices owned by the Gaming Operation that are utilized by a Player as part of the Sports Wagering System may have lesser surveillance requirements outlined in the Tribe's Internal Controls.

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5.8 Accounting Records. As part of the accounting records required to be kept in accordance with the Compact (including but not limited to Appendix A), the Gaming Operation must keep detailed, supporting, and subsidiary Sports Wagering records to support those accounting records in accordance with its Internal Controls. The Internal Controls must also establish minimum audit standards.

5.9 Internal Controls. Prior to beginning Sports Wagering operations, the Tribe must implement Internal Controls as minimum operating standards to govern the operation and management of Sports Wagering.

5.9.1 Initial Internal Controls. The TGA shall forward to the SGA its initial Internal Controls for review and concurrence in accordance with Compact Section VII(A). The TGA shall detail how the Internal Controls meet or exceed the requirements described in this Section 5.9.

5.9.2 Minimum Requirements. The Internal Controls will address, at a minimum, the following:

(a) Description of Gaming Employees who perform essential functions, including management of Sports Wagering, supervisory authority over daily operation of Sports Wagering, overseeing technology issues related to the Sports Wagering System, acceptance of Sports Wagers in the Sportsbook, handling payouts on winning tickets/vouchers, and coordination of compliance efforts related to Sports Wagering;

(b) In the event of a failure or malfunction of the Sports Wagering System's ability to pay winning Sports Wagers, the Gaming Operation shall have Internal Controls detailing the method of paying winning Sports Wagers. The Gaming Operation shall also file an incident report for each system failure and document the date, time, and reason for the failure along with the date and time the system is restored with the TGA;

(c) User access controls for Sports Wagering personnel;

(d) Segregation of duties;

(e) Automated and manual risk management procedures;

(f) Procedures for identifying and reporting fraud and suspicious conduct, including identifying Unusual Wagering Activity and Suspicious Wagering Activity and reporting such activity to an Integrity Monitoring Provider;

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(g) Procedures for identifying and preventing Sports Wagering by Prohibited Sports Wagering Participants;

(h) Description of anti-money laundering compliance standards, which must include limitations placed on anonymous wagering and prohibit anonymous single Sports Wagers of two thousand dollars ($2,000) or more, and include the retention of the wager record information with Player identification;

(i) Process for submitting or receiving approval of all types of wagers available to be offered by the Sports Wagering System;

(j) Description of process for accepting Sports Wagers and issuing pay outs, plus any additional controls for accepting Sports Wagers and issuing pay outs in excess of ten thousand dollars ($10,000);

(k) Description of a process for accepting multiple Sports Wagers from one Player in a twenty-four (24) hour cycle, including a process to identify Player structuring of Sports Wagers to circumvent recording and reporting requirements;

(l) Opening and closing Sportsbook windows;

(m) Procedures for reconciliation of assets and documents contained in a Sports Wagering area cashier's drawer, Sports Wagering Kiosk, and Mobile Sports Wagering, which must include the Drop and count procedures for Sports Wagering Kiosks;

(n) Procedures for cashing winning tickets at the Cage after the Sportsbook has closed, if applicable;

(o) Procedures for accepting value game chips for Sports Wagering, if applicable;

(p) Procedures for issuance and acceptance of promotion funds and free wagers for Sports Wagering, if applicable;

(q) Description of all integrated third-party systems;

(r) If Cloud Storage is utilized, a description of how the Cloud Storage complies with applicable federal laws and a description of how the Cloud Storage meets or exceeds the security standards from Center for Internet Security

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(CIS), as amended or modified, or equivalent standards as approved by the TGA with concurrence from the SGA;

(s) Procedures for closing out dormant Player Accounts;

(t) Procedures for making adjustments to a Player Account, including the process for a Patron to close out a Player Account, and a process whereby a Patron will be refunded after the closure of a Player Account;

(u) If the Sports Wagering System includes Mobile Sports Wagering, a method for verifying Players' wagers placed within the Premises;

(v) Procedures to maintain the security of identity and financial information of Patrons;

(w) Procedures for securely issuing, modifying, and resetting a Player Account password, personal identification number, biometric login, or other approved security feature, when applicable;

(x) Procedures for Patron notification including any password or security modification via electronic or regular mail, text message, or other manner approved by the TGA, provided that such methods will include, at a minimum: (i) if in person, verify the Patron's identity against a form of valid, federal, state, or tribal government-issued, photo identification, (ii) the correct response to two or more challenge questions, (iii) strong authentication, or (iv) two-factor authentication;

(y) Controls to prevent ACH fraud regarding failed ACH deposits into a Player Account and policies regarding Player Account closure, dormant Player Account, unclaimed funds in a dormant Player Account, and suspension and subsequent restoration of a Player Account;

(z) Change control procedure;

(aa) Procedures for receiving, investigating, and responding to Patron complaints;

(bb) Procedures to ensure security of the servers;

(cc) Procedures for line setting and line moving;

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(dd) Procedures regarding redemption of winning tickets, including but not limited to, a method for redeeming lost tickets, if allowed, and a method for redeeming tickets by U.S. Mail, if allowed;

(ee) Description of the circumstances, limitations, and method by which the Gaming Operation will cancel wagers, which must at a minimum require cancellation in the event of an obvious error and require that only a supervisory employee of the Gaming Operation can void or cancel a wager;

(ff) Procedures for voiding wagers;

(gg) Accounting and audit procedures; and

(hh) Any other Internal Controls deemed necessary by the SGA and the TGA by memorandum of agreement.

5.9.3 Revisions. Any new or revised Internal Controls adopted by the Tribe shall ensure that the interests of the Tribe and the State relating to Sports Wagering are preserved and protected; maintain the integrity of Sports Wagering; and reduce the dangers of unfair or illegal practices in the conduct of Sports Wagering. The TGA shall forward to the SGA any proposed changes to the Internal Controls for review and concurrence in accordance with Compact Section VII(A).

5.10 House Rules. The Gaming Operation will adopt comprehensive house rules, which must be approved by the TGA, and made available to Patrons at the Gaming Facility and through the Sports Wagering System. House Rules shall include: (a) Method for calculation and payment of winning wagers; (b) Description of the process for handling incorrectly posted events, odds, wagers, or results; (c) Effect of schedule changes; (d) Method of notifying Patrons of odds or proposition changes; (e) Acceptance of wagers at other than posted terms; (f) Expiration of any winning ticket; (g) Lost ticket policy; (h) Method of contacting the operator for questions and complaints; (i) A policy by which Gaming Operation can cancel or void wagers; and (j) Description of Prohibited Sports Wagering Participants.

SECTION 6 SPORTS WAGERING LICENSING AND CERTIFICATION

Licensing and Certification for Sports Wagering Vendors is governed by Compact Section V.F and Appendix L, Section 4.

SECTION 7 CRIMINAL ENFORCEMENT

7.1 Anti-Money Laundering.

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7.1.1 Limits on Anonymous Wagering.

(a) No Patron shall engage in Mobile Sports Wagering, as provided in Section 5.6.1, without a Player Account.

(b) No Player may anonymously place a single Sports Wager of two thousand dollars ($2,000) or more. The Internal Controls will detail acceptable forms and methods of identifying a Player who places a wager of two thousand dollars ($2,000) or more.

7.1.2 Federal Requirements. The Tribe is responsible for the regulatory oversight of Sports Wagering Player Accounts and Patron funds held on deposit. The Tribe's Internal Controls will describe how the Tribe will comply with applicable federal requirements including requirements imposed by the Federal Trade Commission (FTC), Office of the Comptroller of the Currency (OCC), Financial Crimes Enforcement Network (FinCEN), Consumer Financial Protection Bureau (CFPB), Office of Foreign Assets Control (OFAC), and the US Department of Treasury.

7.2 Sports Integrity.

7.2.1 Collaboration. The TGA and the SGA shall collaborate in an effort to prevent and detect competition manipulation through education and enforcement of the provisions of Chapter 9.46 RCW, 67.04 RCW, or 67.24 RCW, or any other State laws related to the integrity of sporting events, athletic events, or competitions within the State.

7.2.2 Integrity Monitoring Provider.

(a) To ensure the TGA and the SGA can monitor the integrity of Sports Wagering, the Gaming Operation will require the collection of aggregate Sports Wagering information, in a format that can be efficiently utilized, provided to, and analyzed by an approved Integrity Monitoring Provider.

(i) In order to identify Unusual Wagering Activity and Suspicious Wagering Activity, the Integrity Monitoring Provider will monitor Sports Wagering information as outlined in the Internal Controls that includes industry best practices.

(ii) Upon receiving any report of Unusual Wagering Activity or Suspicious Wagering Activity from an Integrity Monitoring Provider, the Gaming Operation will review such reports and notify the

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Integrity Monitoring Provider of whether or not it has experienced similar activity.

(b) As a condition of licensure by the TGA, the Integrity Monitoring Provider will be required to:

(i) Share information about any Unusual Wagering Activity with other Integrity Monitoring Providers and disseminate all reports of Unusual Wagering Activity to all tribes offering Sports Wagering in Washington; and

(ii) Immediately notify all other Integrity Monitoring Providers, the TGA, and the SGA if the Integrity Monitoring Provider finds any Suspicious Wagering Activity, including a previously reported Unusual Wagering Activity that rises to the level of Suspicious Wagering Activity.

7.2.3 Annual Report. The Tribe shall submit a yearly report to the SGA, which details services provided by the Integrity Monitoring Provider and summarizes any Unusual Wagering Activity or Suspicious Wagering Activity notifications issued during that time period.

7.3 Information Sharing. In addition to the information sharing provisions contained in the Compact, the Tribe will establish an information disclosure policy that meets, at a minimum, the information sharing requirements in RCW 9.46.0364, and sets forth the Tribe's process for sharing information with Local Non-Tribal Law Enforcement agencies and the SGA, when such officials are investigating Sports Wagering related crimes, including money laundering and sports integrity, believed to have occurred within the Gaming Facility or within Puyallup Tribal Lands. The Tribe will share the Sports Wagering information disclosure policy, and any changes to the policy, with the SGA and provide the SGA a thirty (30) day comment period before implementation. The Tribe will provide personal identifiable information of Patrons to Local Non-Tribal Law Enforcement agencies and the SGA in accordance with its information sharing policy.

SECTION 8 PROBLEM GAMBLING AND RESPONSIBLE GAMING

Compact Section III.Q governs the Tribe's commitment to a comprehensive problem gambling and responsible gaming program and such provisions are incorporated herein.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX W

RULES GOVERNING WIDE AREA PROGRESSIVES

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APPENDIX W

RULES GOVERNING WIDE AREA PROGRESSIVES

STATEMENT OF CONDITIONS AND LIMITATIONS

The Puyallup Tribe of Indians and the State of Washington (State) believe that conducting Class III Gaming under the terms, limitations, and conditions set forth below will benefit the Tribe and the State, will be Fair and protect the members of the Tribe and the other citizens of the State, and is consistent with the objectives of the federal Indian Gaming Regulatory Act. The Parties have agreed upon conditions of the terms, provisions, and limitations contained in this Appendix W.

This Appendix contains interdependent conditions and consequences that must be accepted as a whole in order to operate or participate in a Wide Area Progressive. As a result, authorization to operate or participate in a WAP requires the Tribe to operate and participate in accordance with all of the requirements of both this Appendix and the subsequent Memorandum of Understanding agreed to under Section 2.2.3.

SECTION 1. INTRODUCTION

1.1 Definitions. Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

1.2 Intent. The intent of the Parties is to allow the Tribe to use a WAP where Players are entered into a pool for a Progressive Prize without the insertion of additional consideration.

1.2.1 The WAP must be Fair, secure, and auditable.

1.2.2 The WAP does not constitute a mechanical Gambling or lottery device activated by the insertion of a coin or by the insertion of any object purchased by any person taking a chance by Gambling in respect to the device.

1.2.3 The WAP does not constitute an electronic or mechanical device or video terminal which allows for individual play against such device or terminal.

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SECTION 2. REQUIREMENTS

2.1 General Requirements. The basic requirements for a WAP authorized under Compact Section IV are as follows:

2.1.1 Any WAP Controller utilized by the Tribe may operate only in conjunction with the Tribal Lottery System and may not offer a game where the Player may play against the device.

2.1.2 The restrictions on the use and operation of the Tribal Lottery System as governed by Appendix X2, including prohibiting individual play against such devices or terminals, are not changed by this Appendix.

2.1.3 The WAP will be Fair for Players in the State.

2.1.4 The game rules will be posted for the Patron.

2.1.5 The WAP will conform with 25 U.S.C. § 2710 (d)(1)(A), (B), and (C).

2.1.6 The WAP will allow the SGA to remotely view the Gaming Operation's reports and activity in real time as specifically provided for in a full submission.

2.1.7 The Tribe will make available for review agreements and contracts regarding WAP participation in accordance with Compact Section VIII.B.

2.1.8 Employees and/or representatives of a WAP Operator must meet the applicable licensing and certification requirements in accordance with Compact Section V and Appendix L.

2.1.9 Each specific type of WAP approved will conform to the standards documented in a Memorandum of Understanding after a full submission has been approved, and the Tribe shall not begin operation of said WAP until the testing and certification requirements referred to in Section 3 are met.

2.1.10 The Tribe will notify the SGA of its participation in a specific type of WAP and will follow the requirements in an approved Memorandum of Understanding for the specific type of WAP in order to participate in that WAP.

2.2 Submission Process.

2.2.1 Each full submission made must meet the requirements contained in the Compact, Appendix X2, and this Appendix, and shall set the technical standards and

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Internal Controls for the operation of that type of WAP. Except for the Tribal Lottery System as governed by Appendix X2, the Tribe and the SGA shall enter into a separate Memorandum of Understanding for each specific type of WAP the Tribe wishes to operate.

2.2.2 A "full submission," as that term is used in this Appendix, shall include a detailed description of technical standards and other information that includes at least the following:

(a) How the system operates with the Tribal Lottery System, including connections to the system and other jurisdictions, probability, and summary of game rules which must be posted for the Patron in any format;

(b) WAP illustrations, schematics, block diagrams, circuit analyses, program object and source codes, and hexadecimal dumps, which means the compiled computer program represented in base 16 format;

(c) Technical and operation manuals including operation, interface, Progressive Prize verification, and random number generator standards;

(d) System hardware specifications including all key WAP Components including the WAP Controller;

(e) Base software, which means the software platform upon which games are loaded;

(f) Game software for one or more games, including game set size and point of overlap;

(g) System security including encryption, firewalls, Key controls, and surveillance;

(h) Odds for winning the Progressive Prize, the base Progressive Prize amount, the reset Progressive Prize amount, the incremental increases of the Progressive Prize, and any secondary pool increment(s);

(i) Accounting system requirements and reports which must include at least a progressive balancing report and report of unusual events such as critical memory clears, changes to Progressive Prizes, offline equipment, multiple site prizes, and related reports;

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(j) Reports which must include at least a progressive summary, aggregate, and payoff and any adjustments made by the WAP Operator on Progressive Prize pools;

(k) Procedures for handling simultaneous Progressive Prize winners in multiple locations or jurisdictions;

(l) Procedures to make changes or adjustments to or be removed from the WAP, including notice requirements to the Participant Tribes and Players;

(m) Procedures for accepting additional Participant Tribes or participating jurisdictions and/or governments into the WAP;

(n) Procedures to handle system malfunctions and reporting those malfunctions to participating jurisdictions and/or governments;

(o) Player dispute procedures;

(p) Procedures, including a timeframe, for Gaming Operations staff or WAP Operator to provide notice to the TGA and the SGA of WAP non-compliance;

(q) Capability and process to allow the SGA to remotely view the Tribe's WAP to review reports and activity in real time; and

(r) Any agreement, written specifications, or limitations required of a WAP Operator by any other state or tribal government and affecting a WAP.

2.2.3 The Tribe may present to the SGA, at any time, a WAP full submission it believes satisfies the requirements of the Compact and this Appendix. Within ninety (90) days of the Tribe's providing of a complete, full submission for its proposed WAP to the SGA, the Tribe and the SGA will execute a Memorandum of Understanding as required by Section 2.1.9.

SECTION 3. TESTING AND APPROVAL

3.1 Independent Gaming Test Laboratory.

3.1.1 Designation. The Tribe shall select one or more Gaming test laboratories (hereinafter, "Gaming Test Laboratory") to perform the testing required in this Appendix. The selection of a Gaming Test Laboratory will be done according to Appendix X2, Section 10.1.

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3.1.2 Gaming Test Laboratory Duty of Loyalty. The Tribe shall inform the Gaming Test Laboratory, in writing, that irrespective of the source of payment of its fees, the Gaming Test Laboratory's duty of loyalty and reporting requirements run equally to the Tribe and the SGA.

3.2 General Testing Requirements. The general purpose of testing the WAP and related WAP Components is to determine the compliance of the WAP with the Memorandum of Understanding agreed to by the Tribe and the SGA. Prior to operation of the WAP, the WAP and related WAP Components shall be tested by a licensed Gaming Test Laboratory to verify:

3.2.1 Compliance with the applicable requirements of the Compact, Appendix X2, and this Appendix;

3.2.2 The WAP is Fair for both the Players and the participating gaming facilities; and

3.2.3 Compliance with the Memorandum of Understanding and currently accepted Gaming test industry standards with respect to multi-jurisdictional WAPs.

3.3 Materials Provided to Gaming Test Laboratory.

3.3.1 The Tribe shall provide or require that the WAP Operator provide to the Gaming Test Laboratory a copy of the executed Memorandum of Understanding, and any other information requested by the Gaming Test Laboratory. The Tribe shall make all such materials available to the SGA upon request.

3.3.2 If requested by the Gaming Test Laboratory, the Tribe shall require the WAP Operator to transport not more than two working models of the WAP associated Player Terminals, and any required system elements to a location designated by the Gaming Test Laboratory for testing, examination, or analysis. Neither the State nor the Gaming Test Laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the WAP Components. If requested by the Gaming Test Laboratory, the Tribe shall require the WAP Operator to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination, and analysis. The Gaming Test Laboratory will notify the SGA of the request and need for the request.

3.4 Approval by the SGA. Upon receiving the certification, technical standards tested, and results of testing from the Gaming Test Laboratory, the SGA shall either approve or disapprove the WAP or WAP Component thereof, based on the criteria contained in this

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Appendix and the Memorandum of Understanding. The Tribe or WAP Operator may request a temporary suspension of the SGA's review of the WAP or WAP Component for a mutually agreed upon time period through a written request to the SGA director.

During the SGA approval process, the Gaming Test Laboratory will meet with the SGA and the TGA to inform regulatory staff of the certification process and technical standards tested and provide training so that these personnel have an understanding of the WAP, can create a regulatory program, and can better respond to questions and complaints.

3.5 Installation.

3.5.1 No WAP may be offered for play unless:

(a) Such WAP is approved as provided in this Appendix; and

(b) The WAP prototype thereof has been tested and certified by the Gaming Test Laboratory as meeting the requirements and Memorandum of Understanding specified by this Appendix.

3.5.2 The TGA and the SGA will meet to confer on WAP initial implementation and Internal Controls changes to prepare for WAP operation. Initial Internal Controls and any subsequent changes are to be completed in conformance with Compact Section VII.

3.6 WAP Operator Certification. Before any WAP Component may be placed into operation, the Tribe shall first have obtained a written certification from the WAP Operator that, upon installation, each such WAP Component:

3.6.1 Conforms to the specifications of the WAP as certified by the Gaming Test Laboratory; and

3.6.2 Operates and plays in accordance with the applicable requirements of the Compact, Appendix X2, this Appendix, and the Memorandum of Understanding.

3.7 Payment of Fees.

3.7.1 The Gaming Test Laboratory shall not accept a WAP submission from a WAP Operator without first receiving an executed Memorandum of Understanding from the Tribe. All Gaming Test Laboratory fees related to a WAP submission shall be the responsibility of the WAP Operator.

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3.7.2 All SGA testing fees related to a WAP submission shall be the responsibility of the WAP Operator.

SECTION 4. INSPECTIONS

4.1 SGA Inspection. The Tribe shall allow the SGA to inspect any WAP Components for the purposes of confirming that such WAP Component is operating in accordance with the requirements of the Compact, Appendix X2, this Appendix, and the Memorandum of Understanding and that such WAP Component is identical to that tested by a Gaming Test Laboratory. Inspections shall be pursuant to the Compact.

4.2 Inspection of WAP Operator. The WAP Operator shall allow the TGA and the SGA to inspect any WAP Components for the purposes of confirming that such WAP Component is operating in accordance with the requirements of the Compact, Appendix X2, this Appendix, and the Memorandum of Understanding and that such WAP Component is identical to that tested by a Gaming Test Laboratory.

4.3 Suspension of WAP. If the TGA or the SGA determine there is a failure to comply with the Memorandum of Understanding, either will immediately suspend a WAP's operation.

4.4 Reinstatement. Reinstatement of a WAP's operation shall occur once the TGA and the SGA agree that a suspended WAP complies with the Memorandum of Understanding as determined by follow-up testing by the Gaming Test Laboratory.

4.5 Mathematical Verification. If after an investigation the TGA or the SGA believe the WAP is not operating in a Fair manner, either may request a mathematical review by an independent third-party. The WAP Operator will pay the cost of this review.

SECTION 5. PARTICIPATION IN ANOTHER APPROVED WAP

The Tribe may participate in more than one approved WAP. When the Tribe elects to participate in a WAP that has already been approved by the SGA, Section 1 through Section 4 do not apply except as required by Section 5.1.3.

5.1 Requirements. Requirements for participation in another approved WAP:

5.1.1 When participating in a WAP that has already been approved by the SGA, the Tribe must follow the requirements in the Memorandum of Understanding related to that WAP.

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5.1.2 The Tribe will notify the SGA of its participation in or withdrawal from another WAP and will make any and all copies of its participation agreements available for review.

5.1.3 When the Tribe participates in an already approved WAP, the Tribe will follow the requirements listed in Sections 1, 2.1, 3.5, 3.6, 4, and 5.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX X2
(AMENDED AND RESTATED)

RULES GOVERNING TRIBAL LOTTERY SYSTEMS

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APPENDIX X2

RULES GOVERNING
TRIBAL LOTTERY SYSTEMS

SECTION 1. OVERVIEW

This Appendix describes, authorizes, and sets forth provisions applicable to the operation of a Tribal Lottery System conducted pursuant to the Indian Gaming Regulatory Act for playing Electronic Scratch Ticket and On-line Lottery Games. The system utilizes Player Terminals with video displays which allow Players to purchase chances and obtain Game result information, a manufacturing computer which securely creates the finite set of chances used in the scratch ticket portion of the system, a Central Computer which stores and transmits Game information and makes draws for the On-line Lottery Game, and an electronic central security and accounting system. In the Scratch Ticket Game, preexisting Scratch Tickets are dispensed in an electronic format to Players through the Player Terminals on an on-demand basis. In the On-line Lottery Game, drawings are conducted on a Central Computer independently of any activity at Player Terminals. The drawing results are then matched to Player selections previously made on the Player Terminals. The system and games described and authorized herein are subject to the technical provisions set forth herein. Further, nothing herein shall restrict the Tribe from exercising any provision in its Compact not covered by this Appendix X2.

This Appendix X2, as originally added to the Compact by the Fourth Amendment in 2007, contained interdependent conditions and consequences that were accepted as a whole in order to operate or participate in the Tribal Lottery System. In 2025, the Tribe amended and restated its Compact, and as part of that effort, portions of this Appendix X2 were updated to better align with the amended and restated Compact. This Appendix X2 was bargained for and in exchange for all of the terms contained herein, as well as Compact Section III and Compact Section X.

SECTION 2. TERMS

Terms used exclusively in this Appendix X2 are defined in this Section 2. Other capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

2.1 Cashless Transaction System. The means by which a Player obtains, transfers, and redeems Game Play Credits. The Cashless Transaction system permits a Player to play the Tribal Lottery System without inserting Cash (coins, tokens, or paper currency) into, and to win prizes without receiving Cash from, the Player Terminal. The Cashless Transaction System includes the following components:

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2.1.1 The Electronic Accounting System;

2.1.2 One or more of the following: Plastic, cardboard, magnetic, or "smart" cards; paper; personal identification numbers ("PIN"); Game Play Credits obtained from the exchange of Cash or Cash Equivalents; Game Play Credits displayed on the Player Terminal which were earned as prizes from prior play and not redeemed; and other means for effectuating play and awarding prizes without inserting or dispensing Cash into or from the Terminal, provided that all Game Play Credits (other than credits earned from prior play and remaining displayed on a Player Terminal) must have been paid for by Cash or Cash Equivalent;

2.1.3 A means of accounting for Player deposits of Cash or Cash Equivalents and exchanges for and redemption of Game Play Credits which is independent of the Player Terminal, through a Player's account, a voucher system, or a "smart" card or similar device for recording individual Player data; and

2.1.4 A means by which Players can redeem unused Game Play Credits for Cash or Cash Equivalents. All redemptions for Cash must be through a cashier or redemption system separate from the Player Terminal.

2.2 Central Computer. A computer which conducts drawings for On-line Lottery Games and, for Electronic Scratch Ticket Games, stores and dispenses Electronic Scratch Tickets from Scratch Ticket Subsets which have been loaded into it from a Manufacturing Computer and are maintained in a secure manner.

2.3 Electronic Accounting System. A computer system that provides a secure means to receive, store, and access data and record critical functions and activities, as set forth in Section 7.

2.4 Electronic Scratch Ticket. A predetermined winning or losing outcome in electronic form. Each Scratch Ticket represents a chance from among the finite set of chances that comprise an Electronic Scratch Ticket Game Set. Electronic Scratch Ticket may also be known as "Scratch Ticket."

2.5 Electronic Scratch Ticket Game. A Scratch Ticket lottery Game that is played in an electronic environment. A game has a specific set of rules including: The theme and types of symbols used; the total number of tickets in the game; the ratio or mix of winning and losing tickets; the prize structure, including number and dollar value of each prize; and price of a single ticket. The game is played by use of computer hardware and software to manufacture, store, distribute, sell, and display Scratch Tickets to Players. Electronic Scratch Ticket Game may also be known as "Game."

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2.6 Electronic Scratch Ticket Game Set. A finite set of Electronic Scratch Tickets that is based on a Template that has been designed in accordance with a specific set of rules, including the basic requirements of Section 3.2, governing the structure of an Electronic Scratch Ticket Game. Based on that Template, an Electronic Scratch Ticket Game Set is created in a Manufacturing Computer in a secure and verifiable electronic form prior to the play of an Electronic Scratch Ticket Game. Each Electronic Scratch Ticket Game Set is uniquely identifiable, by serial number or otherwise, so that it can be distinguished from other Game Sets manufactured from the same Template. Electronic Scratch Ticket Game Set may also be known as "Game Set" or "Set."

2.7 Electronic Scratch Ticket Game Subset. A defined group of Electronic Scratch Tickets that has been randomly selected from an Electronic Scratch Ticket Game Set and transmitted to a Central Computer in a fixed order for play. Each Electronic Scratch Ticket Game Subset is uniquely identifiable from all other Subsets selected from the same Game Set. An Electronic Scratch Ticket Game Subset may also be known as "Electronic Scratch Ticket Subset," "Game Subset," or "Subset."

2.8 Game Play Credits. A means of representing value obtained from the exchange of Cash or Cash Equivalents, or earned as a prize, which is used as a means to effectuate play. Game Play Credits may be redeemed for Cash or a Cash Equivalent.

2.9 Kiosks. Cash exchange or redemption terminals, which allow for Cash to cashless transactions or cashless to Cash transactions with or without a cashier. A Player Terminal is not a Kiosk.

2.10 Manufacturing Computer. A computer which creates Electronic Scratch Ticket Game Sets, randomly allocates tickets into Scratch Ticket Subsets, and delivers them to a Central Computer.

2.11 On-line Lottery Game. A lottery game by which Players, through the use of Player Terminals, select numbers, symbols, or other possible outcomes to be matched to outcomes that are subsequently and randomly selected in drawings which are electronically conducted on a Central Computer.

2.12 On-line Lottery Game Ticket. A paper, cardboard, or electronically encoded medium onto which information is legibly printed, or is recorded electronically in a manner which can cause a Player Terminal to display, the outcome(s) and prize(s) won, if any, and other information associated with, an On-line Lottery Game drawing in which the Player is enrolled.

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2.13 Player Terminals. Electronic computer terminals housed in cabinets with input devices and video screens and with which Players play the On-line Lottery and Electronic Scratch Ticket Games. Player Terminals are not capable of playing Gambling games as stand-alone devices. Player Terminal may also be known as a "Terminal."

2.14 Template. A software file containing all possible prize values for a Game Set to be created, indicating the number of prizes for each prize value that will appear in the Game Set.

2.15 Tribal Lottery System. Any lottery system operated pursuant to this Appendix. All computers and Terminals and the combination and components thereof in each system operated by the Tribe shall conform to the provisions of this Appendix.

2.16 Virtual Environment. A Virtual Environment is comprised of a host computer or server and virtualization software. Virtualization refers to the abstraction of computer resources from the underlying hardware. A layer of virtualization software called the hypervisor is added between the hardware and operating system on a physical server. This virtualization layer allows multiple operating system instances to run concurrently within Virtual Machines on a single computer. It dynamically partitions and shares the available physical resources such as CPU, storage, memory, and I/O devices among multiple Virtual Machines.

The hypervisor enables the operating system within the Virtual Machine, called the guest operating system, to run unmodified and to behave as if it is running on physical hardware. Virtual devices are implemented in software and function in exactly the same way as their physical counterparts. The guest operating system interacts with the hypervisor's abstraction layer of virtual hardware and not the physical hardware.

2.17 Virtual Machine. A Virtual Machine is a software implementation of a computing environment that is operated using a Virtual Environment. Virtual Machines shall operate separately and be securely isolated from other Virtual Machines within the Virtual Environment, thereby emulating single physical computers.

SECTION 3. TRIBAL ELECTRONIC SCRATCH TICKET LOTTERY GAME SYSTEM

3.1 Description of System Operation.

3.1.1 The Tribal Lottery System Game known as the Electronic Scratch Ticket Game consists of a finite number of Electronic Scratch Tickets, a certain number of which, if drawn, entitle a Player to prize awards at various levels. The Scratch

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Tickets are designed from a Template in conformity with this Appendix and are created in Game Sets on a Manufacturing Computer from which Scratch Tickets are randomly selected and placed into Scratch Ticket Subsets. Each Game Set has a predetermined number of winners and values and is designed so as to assure Players of an at least 75 percent payback of the amounts paid in the aggregate for all tickets in the Set. As a Game Set's tickets are placed into Subsets, the pool of tickets available from that Game Set for placement into Subsets diminishes, until each ticket in the Game Set has been placed into a Subset.

3.1.2 Scratch Ticket Subsets are transmitted to the Central Computer, where they are stored until dispensed electronically on demand to Player Terminals. Scratch Tickets are electronically dispensed from the Central Computer in the order within each Subset in which the tickets were received. Players compete against each other to draw winning tickets. As Subsets are used they are replaced by additional Subsets which have been created and delivered to the Central Computer in the same manner, until the Game Set has been depleted, or pulled from play, ending that particular Game. Different Games based on different Game Sets may be offered simultaneously through the Central Computer.

3.1.3 A Player initiates participation in an Electronic Scratch Ticket Game at a Player Terminal, using Game Play Credits purchased on the Player Terminal through the insertion of Cash, or through the Cashless Transaction System. The monitor displays one or more of the Electronic Scratch Ticket Games that are offered by the system, as well as other information such as graphics, Game play and outcome information, and entertainment effects, subject to the limitations in Sections 5.2.2 and 5.2.3. The Player may choose a particular Game and reveal the outcome, by touching the screen, pressing a button once, or performing some other form of interaction with the Player Terminal.

3.1.4 Following or as part of the Player's selection of a Game or Games, the Player uses Game Play Credits displayed on the Player Terminal to purchase one or more Electronic Scratch Tickets. The pricing of tickets is governed by the provisions of Section 3.2.1. Wagers are deducted from the Game Play Credits displayed on the Player Terminal.

3.1.5 Prize structure, ticket purchase and selection, and wager information is displayed or available on the Player Terminal with respect to any Game which is being played through that Terminal.

3.1.6 After the Player purchases an Electronic Scratch Ticket, the outcome associated with that ticket is shown on the Player Terminal. Any prizes won are displayed on

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the Player Terminal and may be in the form of Game Play Credits, the right to receive merchandise, or other valuable property.

3.1.7 Game Play Credits earned as prizes remain displayed and available for use in further play from that Terminal. Game Play Credits also may be electronically transferred to (a) a Player's account in the Cashless Transaction System, (b) a ticket or receipt printed by the Player Terminal, or (c) a "smart" card or similar instrument. Once transferred, Game Play Credits may be (i) used for further play on another Terminal or (ii) redeemed for Cash or Cash Equivalents through a cashier or other separate redemption system. Merchandise or other property won is collected in accordance with the rules of the Game.

3.2 Game Set and Subset Requirements.

3.2.1 Game Set Requirements. Each Game Set Template shall meet the following minimum requirements:

(a) Each Game Set shall be made up of a finite number of Electronic Scratch Tickets;

(b) All Scratch Tickets in a particular Game Set Template shall be of the same purchase price. Compact Section III.N(1) governs wagering amounts, and such provisions are incorporated herein. A single Ticket may offer an opportunity to enter another Game Set;

(c) The payout percentage for the entire Game Set shall be no less than 75 percent of the total purchase price of all tickets in the set combined;

(d) Each Game Set shall be assigned a unique serial number; and

(e) Each ticket shall have a specific outcome and prize level associated with it.

3.2.2 Game Set Verification Process. Prior to commencement of play, the initial Game Set shall be verified as to the total number of tickets in the Set and the number of winners at each prize level, including the amounts of such prizes and the number of non-winners. The verification standards which the Game Set must meet are those set forth in Section 3.3.

3.2.3 Transmission of Subsets to Central Computer. Following verification of the Game Set, the Manufacturing Computer shall create ordered Scratch Ticket Subsets on demand from the Central Computer and transmit the ordered Subsets to it.

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3.2.4 Subset Requirements. Each Electronic Scratch Ticket Game Subset shall meet the following minimum requirements:

(a) Within a given Game Set, each Subset shall be the same size and comprised of no less than 5,000, and no more than 10,000 Electronic Scratch Tickets, provided that in order to complete the distribution of all tickets in a Game Set, the final Subset derived from the Set may have less than the number of tickets in any other Subset and be less than 5,000;

(b) Each Subset shall be individually and uniquely identified by the Game Set serial number and a unique serial number for each Subset assigned in the order in which the Subsets are created; and

(c) Once an Electronic Scratch Ticket has been dispensed to a Player Terminal from a Subset, it cannot be dispensed again.

3.2.5 Completion of Game. A Scratch Ticket Game is deemed to be completed only when all of the Electronic Scratch Tickets in a Game Set have been dispensed or the Game Set has been taken out of play. If any Game Set is withdrawn from play before completion of the Game, the Tribe shall ensure that at least 75 percent of the revenues received from sales of Electronic Scratch Tickets in that Game have been, or in future Electronic Scratch Ticket Games will be, awarded to Players.

3.3 Data Required to be Available Prior to Commencement of an Electronic Scratch Ticket Game. The following data shall be available to the TGA and the SGA prior to the commencement of an Electronic Scratch Ticket Game and shall be maintained and be viewable both electronically and if requested, by printed report, upon demand:

3.3.1 A unique identifying Game Set serial number;

3.3.2 A description of the Game Set theme sufficient to categorize the Game Set relative to other Game Sets;

3.3.3 The number of total Scratch Tickets in the Game Set;

3.3.4 The number of Scratch Ticket Subsets to be created from the Game Set, and the number of tickets in each Set;

3.3.5 The payout percentage of the entire Game Set;

3.3.6 The payout table for the Game Set and the number of Scratch Tickets at each level of the payout table;

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3.3.7 The purchase price per ticket assigned to the Game Set; and

3.3.8 Such further information as the SGA may reasonably require to assure the integrity and accuracy of the foregoing information.

3.4 Data Required to be Available Following the Completion of a Scratch Ticket Game. Following the completion of an Electronic Scratch Ticket Game (i.e., upon the sale of all tickets in a Game Set or the withdrawal of the Set from play), the following data shall be available to the TGA and the SGA and shall be maintained and viewable both electronically and if requested, by printed report, upon demand:

3.4.1 The Game Set and Game Subsets serial numbers;

3.4.2 The total number of Electronic Scratch Tickets unsold, if the Game is removed from play;

3.4.3 The total number of Electronic Scratch Tickets purchased;

3.4.4 The time and date that each Subset was transmitted to the Central Computer;

3.4.5 The time and date that the Game was completed or removed from play;

3.4.6 The final payout percentage of the Game; and

3.4.7 Price per Ticket.

3.5 Software Auditing Tool to be Made Available. For auditing Game Sets and Subsets that have been archived, any Tribal Lottery System shall include and have available for the TGA and the SGA a secure software tool which provides the same data as set forth in Sections 3.3 and 3.4, provided that such tool shall be used only during authorized audits of Tribal Lottery System Games and operations, or in cases of Player disputes, and shall not be used for any other purpose without the consent of the TGA and the SGA.

3.6 No Auditing of Game Sets While in Play; Player Complaint Process.

3.6.1 No Audit of Set While in Play. In order to provide maximum game integrity, no audit or other determination of the status of any Game Set or any Subset, including but not limited to a determination of the prizes won or prizes remaining to be won, shall be conducted by anyone, including the TGA and the SGA personnel, while a Subset is in play without causing termination of the entire Game Set from which the Subset was derived as provided in Section 3.6.3.

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3.6.2 Player Complaint Resolution: Impact on Game Set Play. In the event of a dispute by a Player that cannot be resolved by ordinary means by Gaming Facility personnel as to the outcome, prize, wager made, or any other aspect of the Player's participation in a Game Set being played, all relevant data shall be immediately collected, including but not limited to all meter readings, memory records, surveillance recordings, and any other reports or information regarding play at the Terminal for the play in dispute. Following the collection of all relevant data, the TGA shall be notified and requested to make an evaluation of whether or not the dispute involves the integrity of the hardware or software being used and to try and resolve the dispute. A report of all disputes shall be maintained by the TGA. If the dispute is not resolved within seventy-two (72) hours from the time of the complaint, the TGA shall immediately forward a report to the SGA detailing the nature of the dispute. In the event the dispute is resolved, the TGA is not obligated to report to the SGA, but shall make the TGA reports available for review.

3.6.3 Termination of Game Set. Protection of game integrity, even if it requires the early withdrawal of a Game Set from play, shall be the primary goal of this Appendix. If resolution of a Player dispute requires access to data or records stored on any part of a system other than the Player Terminal involved in the dispute, and such access can only be accomplished through a means by which data would be revealed that could materially assist anyone in determining the likelihood of a particular ticket being drawn, other than information available to all Patrons, the Game Set shall be terminated prior to accessing such data or records.

3.7 Manufacturing Computer.

3.7.1 Security from Alteration, Tampering, or Unauthorized Access. The Manufacturing Computer shall provide a physical and electronic means, by use of a password or other method approved by the TGA and the SGA, for securing the Game Set against alteration, tampering, or unauthorized access. The Manufacturing Computer shall provide a means for terminating the Game Set if unopened ticket information from an operating Game Set or Subset has been accessed except as permitted in this Appendix. The Gaming Test Laboratory shall certify that such security system, and a means for monitoring its use in accordance with this Appendix, is included in the system before it may be authorized for use. Security systems and monitoring may be required for any component that has electronic access to this system that may violate the integrity and security of the Manufacturing Computer.

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3.7.2 Primary Purpose; Separation. The Manufacturing Computer shall be dedicated primarily to those Tribal Electronic Scratch Ticket Gaming system functions related to the creation of Scratch Ticket Game Sets and the creation, randomization, and transmittal to the Central Computer of Scratch Ticket Subsets. Notwithstanding the foregoing, the Manufacturing Computer may also be used for other computer functions in the Tribal Lottery System or Electronic Accounting System if such use will not affect the integrity or outcome of any Game.

3.7.3 Storage Medium; Backup. The Manufacturing Computer shall have a medium for securely storing Electronic Scratch Ticket Game Sets and Subsets on the Manufacturing Computer which shall be mirrored on-line by a backup medium within the same cabinet or enclosure. In addition, duplicates of the Sets and Subsets, as created and stored on the Manufacturing Computer, shall be stored in a secure enclosure in the Gaming Facility separate from the Manufacturing Computer. All storage shall be through an error checking, nonvolatile physical medium, so that should the primary storage medium fail, there will be no critical data loss.

3.7.4 Randomization. The Manufacturing Computer shall utilize randomizing procedures in the creation of the Subsets. The randomizing procedures shall be in accordance with Section 6 of this Appendix.

3.8 Central Computer Used in Connection with Electronic Scratch Ticket Game. The following requirements apply to any Central Computer used in connection with an Electronic Scratch Ticket Game.

3.8.1 Dispensing of Tickets. The Central Computer shall dispense, upon request from a Player Terminal, Electronic Scratch Tickets.

3.8.2 Order of Scratch Tickets. The Central Computer shall maintain Electronic Scratch Ticket Subsets in the order received from the Manufacturing Computer, and transmit them in that order to Player Terminals on demand, provided that not less than two and no more than five Subsets per Game Set shall be dispensed in accordance with a predetermined order for rotating the Subsets. Subsets from more than one Game Set may be stored on the Central Computer and made available for play at the same time.

3.8.3 Storage Medium; Backup. The Central Computer shall have a medium for storing Electronic Scratch Ticket Game Subsets and reflecting their current status of play, which shall be mirrored on-line by a backup medium within the same cabinet or enclosure. All storage shall be through an error checking, nonvolatile physical

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medium, so that should the primary storage medium fail, there will be no critical data loss.

3.8.4 No Randomization Capability. The Central Computer shall have no randomization capability associated with its use in an Electronic Scratch Ticket Game.

3.9 Player Terminals Used in Electronic Scratch Ticket Games. Player Terminals used in connection with Electronic Scratch Ticket Games shall conform to the requirements of Section 5.

3.10 Data Available for Inspection. The following data is required to be available for inspection in compliance with Section 7.1.9 for any Player Terminal or Game Set:

3.10.1 All Game Set serial numbers, indicating the date and time the Game Set was put in play, pulled from play, or completed.

3.10.2 By Game Set serial numbers, the Player Terminal numbers assigned and the dates and times of assignment to the Player Terminals.

SECTION 4. TRIBAL ON-LINE LOTTERY GAME SYSTEM

4.1 Description of System Operation. Tribal On-line Lottery Games shall be played in accordance with the following provisions:

4.1.1 A Player initiates participation in On-line Lottery Games at a Player Terminal, using Game Play Credits through the insertion of Cash or from the Cashless Transaction System which are displayed on the Terminal video monitor. Play may also be initiated through a Player Terminal dedicated to On-line Lottery Games, or a clerk-operated Player Terminal. References herein to Player activity and interaction with a Player Terminal in connection with an On-line Lottery Game shall also mean activity and interaction by a clerk on behalf of a Player.

4.1.2 The Player Terminal video monitor displays one or more of the On-line Lottery games that are offered by the system, as well as other information such as graphics, game play, and outcome information, and entertainment effects, subject to the limitation in Sections 5.2.2 and 5.2.3. The Player chooses a particular game by touching the screen, pressing a button, or performing some other form of interaction with the Player Terminal.

4.1.3 Following or as part of the Player's choice of a game or games, the Player selects numbers, symbols or other data to be matched in the Game by pressing buttons or

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touching the video screen. The Player may also make such selections through the "quick pick" method. The Player then uses Game Play Credits displayed on the Terminal monitor to purchase one or more On-line Lottery Game Tickets representing such selections, for drawings to be held in the future.

4.1.4 Each On-line Lottery Game may offer more than one method of winning a prize, and each method may be represented by a separate wager. Compact Section III.N(2) governs wagering amounts, and such provisions are incorporated herein. Wagers are deducted from the Game Play Credits displayed on the Player Terminal.

4.1.5 The Player's wager and selected numbers, symbols, or other data to be matched in the game, along with information identifying the drawing(s) to which they apply, are provided to the Player in some tangible means, such as by electronic encoding or printing on a paper, card, or other medium. In addition, the numbers, symbols, or other data selected may be displayed on the Player Terminal.

4.1.6 The Player is then entered into one or more future On-line Lottery Games, which are conducted through drawings held on the Central Computer.

4.1.7 All drawings for any game are conducted within a period of five (5) minutes or less, and all drawings for all games offered are held within that period. Drawings are held on a regularly scheduled basis and regardless of whether any Player is enrolled in a particular On-line Lottery Game. Games take place no more frequently than thirty (30) minutes apart, determined by when the first drawing in a game occurs. No more than five different On-line Lottery Games are offered at a time, unless the State increases the number of On-line Lottery Games it is now playing, thereby entitling the Tribe to increase the number of games it offers in accordance with the rules for doing so.

4.1.8 A Player Terminal may display a Player's entry into an On-line Lottery Game and the commencement of that game. The form of displaying information may be entertaining and at the discretion of the Tribe, except as limited in Sections 5.2.2 and 5.2.3. For example, the Terminal may alert the Player through means of a count-down that the drawing in which the Player is entered is about to occur. Information regarding prizes that may be awarded for each game are made available to the Player prior to commencement of the game.

4.1.9 Following each drawing, the results are displayed and made available in accordance with the rules set forth in Section 4.4. Players win if their selections match a required number of drawn numbers or symbols, in accordance with the

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predetermined and published rules for that particular game. Results and prizes are verified in accordance with the rules set forth in Section 4.4, and are paid in Game Play Credits except where, due to the size of the prize, the rules specify some other method of payment. Prizes may also be awarded in the form of merchandise or other valuable property.

4.1.10 Game Play Credits earned as prizes remain displayed and available for use in further play from that Terminal. Game Play Credits also may be electronically transferred through the Cashless Transaction System, such as to (a) a Player's account in the Cashless Transaction System, (b) a ticket or receipt printed by the Player Terminal, or (c) a "smart" card or similar instrument. Once transferred, Game Play Credits may be (i) used for further play on another Terminal or (ii) redeemed for Cash or Cash Equivalents through a cashier or other separate redemption system. Merchandise or other property won is collected in accordance with the rules of the game.

4.2 Central Computer Used for On-line Lottery Game. The following requirements apply to any Central Computer used in connection with an On-line Lottery Game.

4.2.1 Introduction. A Central Computer may, in addition to being available for use in connection with Electronic Scratch Ticket Games, be utilized in the On-line Lottery Game. The rules in Section 4.2 govern that activity.

4.2.2 Randomization Capability. The Central Computer shall have randomization capability associated with its use in an On-line Lottery Game only. All drawings shall be on a random basis, using the randomization requirements set forth in Section 6.

4.2.3 Independent Drawings; Schedule of Drawings. Drawings on the Central Computer shall occur independently of any Player Terminal activity and regardless of whether or not Players are enrolled in a game. On-line Lottery Game drawings shall be held on a regularly scheduled basis in intervals of no less than thirty (30) minutes. Once a drawing period begins, all drawings during that period must be drawn within five (5) minutes. Each drawing shall have its own identifying serial number.

4.2.4 Limit on Number of On-line Lottery Games. The Tribe may have no more than five On-line Lottery Games in play at one time. Such games may be offered on more than one system within the facility. The number of games offered may be increased if, and by the same number, the State Lottery increases the number of On-line Lottery Games it offers.

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4.3 Player Terminals Used for On-line Games. Player Terminals used in connection with On-line Lottery Games shall conform to the requirements of Section 5. The following provisions shall also be applicable:

4.3.1 A Player Terminal may, in addition to being available for use in connection with Electronic Scratch Ticket Games, be used to play On-line Lottery Games. The On-line Lottery Game may also be played from a Player Terminal dedicated to selling On-line lottery tickets or by a clerk operating a Player Terminal for such purposes. References to Player Terminals herein shall include such dedicated and clerk-operated Terminals.

4.3.2 The Player Terminal shall enable a Player to select numbers, symbols, or other data, through touching the screen or pressing one or more buttons on the Terminal. The Player may also ask for a "quick pick" selection via the use of a random number generator located in the Player Terminal and used solely for the On-line Lottery Games, provided that such random number generator shall meet the criteria set forth in Section 6.

4.3.3 The Player's wager and selected numbers, symbols, or other data, along with information identifying the drawing(s) to which they apply, shall be provided to the Player through the Player Terminal in some tangible means using electronic encoding or printing on paper, card, or other medium. Such information may also be displayed on the screen for review by the Player.

4.4 Verification and Viewing Requirements for On-line Game Results. The results of each On-line drawing on a Central Computer shall be available for display on a Player Terminal on demand by Players enrolled in such games, and may be made available on one or more scoreboards, video screens, or other electronic display devices sufficiently visible to enable Players and other observers, including those not at Player Terminals, to view the outcome of the game. Printed result reports shall be made available in accordance with Section 4.5.

4.5 On-line Lottery Game Records. The following records with respect to each On-line Lottery Game shall be maintained and be viewable both electronically and, if requested, by printed report, upon demand: The outcome of each drawing including all numbers drawn, the sequence of drawing, prizes available, prizes won (whether or not redeemed), and related information. Such reports shall be made available in the casino for Player reference for up to thirty (30) days following the close of any drawing period.

4.6 Redemption Period. Prizes may be redeemed by Players for a period of no less than forty-eight (48) hours following the drawing in any On-line Lottery Game.

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4.7 Other Game Rules. The specific rules and prize structures for each On-line Lottery Game may vary and shall be made available to Players prior to making any wagers on that game. The rules shall indicate when, in relation to the commencement of the first drawing in a game, no further wagers on that game may be made. Each On-line Lottery Game may offer more than one method of winning a prize, and each method may be represented by a separate wager, but each wager may not exceed the amounts set forth in Section 4.1.4.

4.8 Prizes; Jackpots. Every On-line Lottery Game must have at least one "jackpot" level prize paid, when won, from a lottery prize pool into which a percentage of each Player's wagers, as set forth in the rules for that game, is placed and in which the Tribe shall have no interest. The prize pool may be seeded from time to time by promotional payments or interest-free loans from the Tribe. Jackpot prizes not won in a particular game shall be rolled forward into a future game in accordance with rules for disposing of such prizes. Rollover funds may replace the need for seeding a pool if the amount of such rollover funds exceeds the minimum prize available under the rules of that game. The Player pool fund may not be used for any purpose other than payment of the jackpot prize.

SECTION 5. PLAYER TERMINALS

All Player Terminals shall conform at a minimum to the requirements of this Section 5.

5.1 Use as a Stand-Alone Gambling Device Prohibited. No Player Terminal shall be capable of being used as a stand-alone unit for the purposes of engaging in any Gambling game, including but not limited to the lottery games described in the Compact, or in any other way prohibited in this Appendix.

5.2 Features. Player Terminals shall include the following features:

5.2.1 Operation either through the Cashless Transaction System, or through means for accepting Cash (coins, tokens, or paper currency) for conversion into Game Play Credits, which can then activate participation in the Game, provided the insertion of Cash will not alone activate the game and such use of Cash is in accordance with Section 5.15;

5.2.2 One or more of the following: A video monitor, electro-mechanical display, printer, graphics, and signage, provided that slot machine-type spinning reel mechanisms are prohibited in mechanical form; and

5.2.3 One or more of the following: electronic buttons, touch screen capability, and a mechanical, electro-mechanical or electronic means of activating the Game and

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providing Player input, including a means for making Player selections and choices in Games, provided that slot machine-type handles are prohibited.

5.3 Non-Volatile Backup Memory Required. A non-volatile backup memory or its equivalent shall be maintained in a secure compartment on each Player Terminal for the purpose of storing and preserving a redundant set of critical data which has been error checked in accordance with this Appendix, and which data shall include, at a minimum, the following Player Terminal information:

5.3.1 Electronic Meters required by this Appendix;

5.3.2 Recall of all wagers and other information associated with the last ten Electronic Scratch Ticket plays and the last ten On-line Lottery Games played;

5.3.3 Error conditions that may have occurred on the Player Terminal; and

5.3.4 Recall of the last 20 Cash or Cash Equivalent deposits, with metering in the Game of all funds deposited.

5.4 On/Off Switch. An on/off switch that controls the electrical current that supplies power to the Player Terminal must be located in a secure place that is readily accessible within the interior of the Player Terminal.

5.5 Static Discharge/Interference. The operation of each Player Terminal must not be adversely compromised or affected by static discharge, liquid spills, or electromagnetic interference.

5.6 Accounting Meters. A Player Terminal must have electronic accounting meters which have tally totals to a minimum of eight digits and be capable of rolling over when the maximum value of at least 99,999,999 is reached. The Player Terminal must provide a means for on-demand display of the electronic meters via a key switch or other secure method on the exterior of the machine. Electronic meters on each Player Terminal for each of the following data categories for Electronic Scratch Ticket Games and On-line Lottery Games are required in compliance with Section 7.1.9:

5.6.1 Credits, or equivalent monetary units, wagered on a cumulative basis on that Terminal;

5.6.2 Credits, or equivalent monetary units, won for the Player Terminal;

5.6.3 For Scratch Ticket Games, the number of Scratch Tickets purchased on the Terminal; and

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5.6.4 For On-line Lottery Games, the number of On-line Lottery wagers made on that Terminal.

5.7 No Automatic Clearing of Accounting Meters; Reading and Resetting Meters. Under no circumstances shall the Player Terminal electronic accounting meters be capable of being automatically reset or cleared, whether due to an error in any aspect of its or a game's operation or otherwise. All meter readings must be recorded and dated in the presence of a Tribal Gaming Agent both before and after an electronic accounting meter is cleared.

5.8 Display of Information. At a minimum, each Player Terminal shall have the following Game information available for display on the video screen and/or displayed on the Player Terminal itself, in a location conspicuous to the Player:

5.8.1 The rules of the Game being played;

5.8.2 The maximum and minimum wagers and the amount of credits, Cash Equivalents, or additional game play opportunities, which may be won for each Electronic Scratch Ticket and On-line Lottery Game offered through that Terminal, including the current values of any Progressive Prizes available;

5.8.3 The Player's credit balance;

5.8.4 The outcome of the Electronic Scratch Ticket(s) then being played; and

5.8.5 Any prize won on the Electronic Scratch Ticket(s) then being played.

5.9 Protection of Displayed Information. The video screen or other means for displaying game rules, outcomes, and other game information shall be kept under a glass or other transparent substance which places a barrier between the Player and the actual surface of the display. At no time may stickers or other removable media be placed on the Player Terminal's face for purposes of displaying rules or payouts.

5.10 Hardware Switches Prohibited. No hardware switches may be installed on a Player Terminal or any associated equipment which may affect the outcome or pay out of any Game for which the Player Terminal is used. Switches may be installed to control the ergonomics of the Player Terminal.

5.11 Networking Requirements. The use of firewalls and other system protections as approved by the TGA and the SGA are required to protect the integrity of the Tribal Lottery System and player accounts and:

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5.11.1 Where the Tribe's Tribal Lottery System or components are linked with one another in a local network for progressive jackpot, function sharing, aggregate prizes, or other purposes, communication protocols must be used which ensure that erroneous data or signals will not adversely affect the operations of any such system or components. No Class III Game or Gaming system in which any part or component is located outside the Tribe's Gaming Facilities shall be deemed approved as part of the approval of this Appendix. Any proposal for such game or gaming system, including the proposed rules, manner of regulation, and manner of play, monitoring, and/or maintenance of the system, shall require submission to, and approval by, the TGA and the SGA.

5.11.2 Dedicated and protected network connections prohibiting unauthorized access, approved by the TGA and the SGA, may allow two or more of the Tribe's Tribal Lottery Systems to share Player information. Game tickets and other information prohibited from being viewed, as outlined in other Sections of this Appendix, shall not be available or transmitted between the Tribe's connected Tribal Lottery Systems or Gaming Facilities. Communications between the Tribe's Gaming Facilities will require the use of approved firewalls that are configured and operated to protect the Tribal Lottery System and Player information. Computer systems linked between the Tribe's Gaming Facilities may not be used to link progressive jackpots.

5.12 Prohibited Software Functions. Player Terminals shall not have software or hardware that determines the outcome of any Electronic Scratch Ticket Game. Nothing herein is intended to prohibit the Player Terminal from creating the appropriate Scratch Ticket and On-line Game graphics and animation to correspond to, display or represent, in an entertaining manner, the outcome. In addition, Player Terminals shall not have any software that:

5.12.1 Determines which Scratch Ticket outcome from within the Scratch Ticket Subset is transmitted to the Player Terminal; or

5.12.2 Alters the amount of the payout of the Electronic Scratch Ticket as received from the Central Computer.

5.13 Quick-Pick Function. Nothing herein shall prohibit the use of a quick pick function on the Player Terminal in conjunction with the playing of the On-line Lottery Game.

5.14 Wagers; Displaying Electronic Scratch Ticket Outcomes. Players shall make wagers using a Player Terminal to purchase Electronic Scratch Tickets. Following a purchase,

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the Electronic Scratch Ticket shall be displayed on the Terminal's video screen for the purpose of revealing the outcome of the selected ticket.

5.15 Cash Standards. When Cash is used, the following procedures shall be performed by accounting/auditing employees who are independent of the transactions being reviewed:

5.15.1 For each Drop period, accounting/auditing employees shall compare the report information required in Section 7.1.10 to the total Cash acceptor Drop amount for the period. Discrepancies shall be resolved before the generation/distribution of any statistical reports.

5.15.2 The TGA will be notified and follow-up shall be performed for any one machine having an unresolved variance between actual Cash Drop and the report information required in Section 7.1.10 in excess of an amount that is both more than twenty-five dollars ($25) and at least three percent of the actual Cash Drop. The follow-up performed and results of the investigation shall be documented and maintained for inspection.

5.15.3 At least annually, accounting/auditing employees and Tribal Gaming Agents shall randomly verify that EPROM or other equivalent Game software media changes are properly reflected in the analysis reports.

5.15.4 Accounting/auditing employees shall review exception reports on a daily basis for propriety of transactions and unusual occurrences. The TGA will be notified in writing of any unexplained or suspicious transactions or unusual occurrences.

5.15.5 All auditing procedures and any follow-up performed shall be documented and maintained for inspection.

5.15.6 Cash shall be removed from the Player Terminal in accordance with Appendix A for secure and verifiable handling of Cash receipts from electronic games.

5.16 Door Access Logging. The Player Terminal shall record the date and time of any opening of cabinet door(s); provided, that this information need not be retained on the Player Terminal if it is communicated to another component of the system. This information shall be retrievable in report form.

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SECTION 6. STANDARDS FOR RANDOM NUMBER GENERATORS USED WITHIN THE TRIBAL LOTTERY SYSTEM

Any random number generation used in connection with the Tribal Lottery System must be by use of a microprocessor and random number generation program that meets the following random selection tests:

6.1 Chi-Square Analysis. Each card, symbol, number, or stop position which is wholly or partially determinative of the outcome of the game satisfies the 99 percent confidence limit using the standard chi-square analysis.

6.2 Runs Test. Each card, symbol, number, or stop position does not as a significant statistic produce predictable patterns of game elements or occurrences. Each card symbol, number, or stop position will be considered random if it meets the 99 percent confidence level with regard to the "runs test" or any generally accepted pattern testing statistic.

6.3 Correlation Analysis. Each card, symbol, number, or stop position is independently chosen without regard to any other card, symbol, number, or stop position drawn within that game play. Each card, symbol, number, or stop position is considered random if it meets the 99 percent confidence level using standard correlation analysis.

6.4 Serial Correlation Analysis. Each card, symbol, number, or stop position is independently chosen without reference to the same card, number, or stop position in the previous game. Each card, number, or stop position is considered random if it meets the 99 percent confidence level using standard serial correlation analysis.

SECTION 7. ELECTRONIC ACCOUNTING SYSTEM

One or more Electronic Accounting Systems shall be required to perform reporting and other functions in support of the Tribal Lottery Game activities described in this Appendix. These systems may communicate with the other computers described in this document utilizing the protocol standards set forth in Section 9.3. The Electronic Accounting System shall not interfere with the outcome of any Gaming functions.

7.1 Revenue Reporting Requirements. The following reporting capabilities must be provided by the Electronic Accounting System:

7.1.1 Player Terminal Revenue Report. A revenue report for each Player Terminal must be made and maintained on a confidential and secure basis which, at a minimum on a daily and monthly basis, provides:

(a) The total aggregate amount won per Player Terminal;

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(b) The aggregate amount wagered per Player Terminal; and

(c) The amount of Cash deposited into each Player Terminal.

7.1.2 Closed Game Set Reports. Immediately after a Game Set is completed or pulled from play, a report will provide the Game Set ending information described in Section 3.4.

7.1.3 In Play Game Set Reports. One or more reports will be available for Game Sets still in play, containing the information described in Sections 3.3.1 through 3.3.7.

7.1.4 On-line Lottery Game Reports. An On-line Lottery Game report must be made and maintained on a confidential and secure basis which, at a minimum of a daily and monthly basis, provides as to each On-line Lottery Game, the following information:

(a) Total sales;

(b) Total won per prize level;

(c) Total won per Player Terminal; and

(d) Activity per jackpot prize, for the accounting period and to-date, per Section 7.1.5.

7.1.5 Progressive Jackpot Report. A progressive jackpot report must be made for the accounting period and to-date which provides:

(a) Amount seeded;

(b) Amount in reserve fund;

(c) Current jackpot;

(d) Contribution total;

(e) Total paid in prizes;

(f) Itemized jackpot awards; and

(g) Amount, time of award, and the Player Terminal on which the progressive jackpot prize was won.

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7.1.6 Larger Prize Report. A report will be required for all prizes that exceed the threshold that triggers additional procedures to be followed for the purposes of compliance with federal tax reporting requirements. At a minimum, on a daily and monthly basis, the report shall provide the following information per Player Terminal:

(a) The date and time won; and

(b) Amount of all prizes.

7.1.7 Liability Reports. Liability reports will be required, at a minimum, on a daily and monthly basis . They should provide a summary of the outstanding funds which carry from business day to business day. At a minimum, they must include:

(a) Amount of prizes which were awarded, but have not yet been claimed;

(b) Detail of prizes for which redemption period expired during this reporting period;

(c) Unredeemed Game Play Credits;

(d) Expired Game Play Credits; and

(e) Daily and cumulative contributions to Progressive Prize pools which have not yet been awarded.

7.1.8 Master Reconciliation Report. A master reconciliation report must be made available, at a minimum, on a daily and monthly basis. This report may be provided as one single report, or as two or more individual reports. This report provides a summary of all daily sources of funds and disposition of funds, including the following:

(a) Funds collected from cashiers, Player Terminals, and Kiosks;

(b) Funds carried forward from prior business day, including liability from prizes awarded, but not paid out, prize pool balances, and reserve funds, etc.;

(c) Payments to Players;

(d) Funds available to operator; and

(e) Tickets and prizes dispensed and played to reconcile with amount won.

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7.1.9 Data Retention Requirements. Data necessary to audit compliance with the standards set forth in this Appendix shall be maintained for a minimum of two (2) years, and in connection with determining randomness, where applicable, for a minimum of six (6) months. To the extent not inconsistent with the foregoing, data shall be retained and backed up by the Electronic Accounting System according to the following minimum requirements:

(a) Accounting records;

(b) Per Player Terminal, Cashier Terminal, or other points of Cash exchange-daily records and meters: on-line for six (6) months;

(c) Daily records and meters: off-line for twelve (12) months;

(d) Game Set Records, as to each Player Terminal and by Game Set;

(e) The amount wagered and the amount won, daily by prize level, on-line: six (6) months;

(f) The amount wagered and the amount won, daily by prize level, off-line: six (6) months;

(g) On-line prize redemptions: thirty (30) days;

(h) Dated Cash vouchers: thirty (30) days;

(i) Cash vouchers cancelled by Player Terminal: seven (7) days;

(j) Cash vouchers redeemed by cashiers or redeemed at Kiosks: thirty (30) days;

(k) Log files that track password access to sensitive components: on-line for ninety (90) days, off-line for twelve (12) months; and

(l) Log files that track system events or errors: ninety (90) days.

7.1.10 Other Reports. Revenue reports for the Tribal Lottery System must be made and maintained on a confidential and secure basis which, at a minimum on a daily and monthly basis, provides the amount of Cash removed or Dropped from Player Terminals.

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SECTION 8. CASHLESS TRANSACTION SYSTEM SECURITY, REPORTING AND STORAGE REQUIREMENTS

8.1 Player Information. The following requirements shall be met in connection with any Cashless Transaction System:

8.1.1 All Player information must be stored on at least two separate non-volatile media;

8.1.2 An audit file must be kept of all Player financial transactions. This file must be stored in at least two separate non-volatile media, and be accessible for purposes of audit and dispute resolution to authorized individuals; this file must be available on-line for a minimum of thirty (30) days, after which it must be available off-line for a minimum of one hundred eighty (180) days;

8.1.3 Physical and operational controls must be used to protect Player information from tampering or unauthorized access;

8.1.4 Passwords or personal identification numbers (PINs), if used, must be protected from unauthorized access;

8.1.5 All means for communicating information within the system shall conform to the protocol standards set forth in Section 9.3;

8.1.6 All Player information shall be accurately recorded and such recording protected by the system;

8.1.7 Any card or other tangible instrument issued to a Player for the purpose of using the Cashless Transaction System shall bear on its face a control or inventory number unique to that instrument;

8.1.8 Encoded bearer instruments printed or magnetic may include coupons and other items distributed or sold for game play, promotional, advertising, or other purposes, but may not include Cash. Such instruments must be in electronically readable form in addition to having unique identification information printed on the instrument face. The daily and monthly reporting must include with respect to such instruments:

(a) Cash converted to value in the Cashless Transaction System;

(b) Outstanding unredeemed balance;

(c) Value in the Cashless Transaction System converted to Cash;

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(d) Amount wagered; and

(e) Amount won.

8.1.9 Redemption periods, if any, shall be posted or otherwise disclosed to all Patrons.

8.1.10 Vouchers must bear on the face, in addition to the unique serial number, the following:

(a) Time/Date printed;

(b) Unique identification from which it was printed; and

(c) Value of voucher.

8.2 Smart Cards. Any "smart card" (i.e., a card generally made of plastic with a computer chip imbedded in it) system which the Tribe intends to implement as part of the Cashless Transaction System shall be tested by the Gaming Test Laboratory to ensure the integrity of Player funds, following the standards applicable to Player information set forth in Section 8.1. Any smart card must store on the card or on the system using the card an audit trail of the last ten transactions involving the use of the card. Each transaction record must include, at a minimum, the type of transaction, the amount of the transaction, the date of the transaction, the time of the transaction, and the identification of the Player Terminal or cashier terminal or other points of Cash exchange where the transaction occurred. The minimum daily and monthly reporting for smart card activity must include:

8.2.1 Total of Cash transferred to smart cards;

8.2.2 Total of smart card amounts transferred to Cash;

8.2.3 Total of smart card amounts transferred to Game Play Credits;

8.2.4 Total of Game Play Credits transferred to smart card amounts; and

8.2.5 Total unredeemed smart card balance.

8.3 Other Functions. Systems shall be permissible that allow Player tracking, maintenance tracking, and other Gaming management or marketing functions. These systems shall not interfere with, or in any way affect, the outcome of any tribal lottery game or the cashless accounting system. Systems shall be permissible that allow Progressive Prize management with the certification of the Gaming Test Laboratory and approval of the SGA.

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8.4 Kiosks. Kiosks shall have reports that properly document all transactions, as well as dedicated video surveillance, to protect the integrity of the cashless system used. Cash boxes shall be designed so their contents are protected from unauthorized access, in accordance with sections below:

8.4.1 Currency Exchange Terminal (CET). Cash boxes shall be designed so their contents are protected from unauthorized access, in accordance with Appendix A for the purpose of audit and security.

8.4.2 Ticket Redemption Kiosk (TRK) and Cashier Point of Sale. Cash boxes, Cassettes, and Cash drawers shall be designed so their contents are protected from unauthorized access, in accordance with Appendix A and shall be uniquely labeled for the purpose of audit and security.

SECTION 9. GENERAL SECURITY REQUIREMENTS

The following requirements apply to all components of the Tribal Lottery System, including the Manufacturing Computer, the Central Computer, the Electronic Accounting System, and Player Terminals.

9.1 Separation. The Manufacturing Computer, Central Computer, and Player Terminals in each Tribal Lottery System shall be physically and operationally independent from one another except as specified otherwise in this Appendix, such as for communications, storage, and security monitoring, including the routing of communications among system components, provided such routing does not affect the integrity of the communications or the outcome of any game. All Tribal Lottery System cables shall be secured against unauthorized access.

9.1.1 An operationally independent Manufacturing Computer Virtual Machine and an operationally independent Central Computer Virtual Machine are considered separate. Operationally independent Virtual Machines may be located on the same physical hardware without physical separation of the Virtual Machines. These Manufacturing Computer and Central Computer Virtual Machines shall not reside inside a Player Terminal. Virtual Machines only apply to the Manufacturing Computer and Central Computer. All Virtual Machines and physical combinations shall be clearly diagrammed and approved by the State as defined in Section 10.

9.2 Security. The Manufacturing Computer and Central Computer must be in a locked, secure enclosure with both camera coverage and Key controls in place. Routers, switches, hubs, or other network access points, to include management terminals and terminals not

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separated from the Tribal Lottery System by firewalls approved by the TGA and the SGA, must also be in a locked, secure enclosure with both camera coverage and Key controls in place. Access to Manufacturing Computers and Central Computers shall be logged by the system to include the date and time of access and available to the TGA and the SGA upon request.

9.3 Secure Connections; DES or Equivalent Data Encryption. Connections between all components of the Tribal Lottery System shall only be through the use of secure communication protocols which are designed to prevent unauthorized access or tampering, employing Data Encryption Standards (DES) or equivalent encryption with changeable seeds or algorithms.

9.4 Surge Protection; Uninterrupted Power System (UPS). Each component of the Tribal Lottery System shall at all times be connected to a device which provides surge protection on any line that feeds it and, with the exception of Player Terminals, shall be connected to a temporary power source, such as an Uninterrupted Power System (UPS), to provide means for an orderly shutdown of the computer in the event of a main power system failure.

9.5 Identification Plates. A non-removable plate shall be affixed to the exterior of each Player Terminal which shall have written upon it the Terminal's serial number and model number of the component and name of the manufacturer. Other audit numbers may be required to be affixed to provide a means of identifying individual Player Terminals for correlation to required reports.

9.6 Locked Areas. The Manufacturing and Central Computers shall at a minimum, be enclosed in a locked and monitored cabinet. Access shall be through the use of access controls provided in Section 9.7. The Player Terminal shall have, at a minimum, the following separately locked areas, which shall be the only means of accessing any non-public part of the Terminal: (a) a locked and monitored cabinet door; (b) a locked compartment for removable media; (c) a locked outer Cash box door; and (d) a locked Drop Cash box door. In addition, the Player Terminal shall have an enclosed microprocessor compartment.

9.7 Access Control Standards. Keys which provide access to any locked compartment, component or area of a Tribal Lottery System, as well as passwords, keycards, or PIN numbers used to access the Tribal Lottery System, shall be maintained and used in accordance with the access control standards enacted in the Tribe's statement of minimum Internal Controls.

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9.7.1 Each Individual accessing the Tribal Lottery System software except for Player Terminals and unattended Kiosks by means of a password, keycard, or PIN, including vendor representatives, must have a user name or user number unique to that individual, and the Tribal Lottery System must log the date and time of access. These access logs must be readily available for audit by the TGA and the SGA.

9.8 MEAL Cards. For all entries into the locked areas of the Manufacturing Computer, Central Computer, unattended Kiosks, or any Player Terminal, a written record must be made on a machine entry authorization log (MEAL) indicating at least the following: the time, date, and purpose of entering said locked area(s), and the name and employee number (or other personal identification specific to such person) of the person doing so.

9.9 Access Control. In addition to maintenance of MEAL cards, the Manufacturing Computer, Central Computer, and Virtual Environment as described in Sections 2.16 and 2.17 shall record and generate a report on any access including date, time of access, and person (by employee number or other personal identification specific to such person) accessing the computer.

9.10 Cameras. For purposes of this section, all components of the Tribal Lottery System, except wiring, cables, and conduit in which they are located, shall have the ability to be effectively and clandestinely monitored and recorded by means of a Closed Surveillance System in accordance with Appendix A and as authorized by the TGA and the SGA, in compliance with the requirements of the Compact.

9.11 Verification Data and Functions. In addition to its functions in operating a connection with the Electronic Scratch Ticket and On-line Lottery Games, the Central Computer may be used to record the data used to verify game play and to configure and perform security checks on Player Terminals, provided such functions do not affect the security, integrity or outcome of such Games.

SECTION 10. TESTING OF TRIBAL LOTTERY SYSTEMS TO ENSURE INTEGRITY

10.1 Designation of Independent Gaming Test Laboratory. The Tribe shall select one or more Gaming test laboratories (hereinafter, "Gaming Test Laboratory") to perform the testing required in this Appendix. Any Gaming Test Laboratory selected shall have demonstrated it is competent and qualified to conduct scientific tests and evaluations of electronic Gaming systems and to otherwise perform the functions set forth in the Compact and shall be licensed by the SGA. The SGA shall maintain a list of approved Gaming Test Laboratories. The Tribe may request additional laboratories be placed on the SGA's list

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of Gaming Test Laboratories which request shall not be reasonably withheld. Any laboratory that is currently licensed and approved by any state, province or country to test or evaluate electronic Gaming devices or systems shall be placed on the list if after review by the SGA it is found to be so qualified and otherwise meets the background and licensing requirements applicable to such laboratories under Washington State Law. For any testing required under this Appendix, the Tribe shall choose a laboratory from those Gaming Test Laboratories on said SGA list. If, at any time, any of the Gaming Test Laboratory's licenses from any jurisdiction are suspended, terminated or subject to disciplinary actions, the Gaming Test Laboratories may be removed from the SGA's list. If removed from the SGA list, the Tribe shall choose a new Gaming Test Laboratory as provided herein.

10.2 Testing and Certification of Tribal Lottery Systems. No Tribal Lottery System or component thereof may be offered for play unless:

10.2.1 Such Tribal Lottery System is approved by the SGA as provided in Section 10.3;

10.2.2 The Tribal Lottery System, or component prototype thereof, has been tested and certified by the Gaming Test Laboratory as meeting the requirements specified by this Appendix;

10.2.3 If not already provided to the Gaming Test Laboratory, the Tribe shall provide, or require that the manufacturer provide, to the Gaming Test Laboratory and the SGA two copies of Tribal Lottery System illustrations, schematics, block diagrams, circuit analyses, technical and operation manuals, program object and source codes, hexadecimal dumps (the compiled computer program represented in base 16 format), and any other information requested by the Gaming Test Laboratory or the SGA;

10.2.4 If requested by the Gaming Test Laboratory or the SGA, the Tribe shall require the manufacturer to transport working models of the Tribal Lottery System to a location designated by the Gaming Test Laboratory or the SGA for testing, examination, or analysis. Neither the State nor the Gaming Test Laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the components of the Tribal Lottery System. If requested by the Gaming Test Laboratory or the SGA, the Tribe shall require the manufacturer to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination, and analysis. For purpose of continued monitoring, the SGA may retain working models of any Tribal Lottery System or component after approval for as long as the equipment is in play in the state of Washington.

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10.2.5 At the conclusion of each test, the Gaming Test Laboratory shall provide to the TGA and the SGA a report that contains findings, conclusions, and a certification that the Tribal Lottery System conforms or fails to conform to the requirements contained in the Compact. If the Gaming Test Laboratory determines that the device fails to conform to such requirements or technical standards, and if modifications can be made which would bring the Tribal Lottery System into compliance, the report may contain recommendations for such modifications. The State is not bound by the findings, conclusions, or certifications of the Gaming Test Laboratory for purposes of its enforcement of the provisions of the Compact and may perform further testing on the system or components to verify compliance.

10.3 Approval by the SGA. Upon receiving the certification from the Gaming Test Laboratory, the SGA shall either approve or disapprove the Tribal Lottery System or component thereof based on the technical criteria contained in this Appendix, within sixty (60) days of receipt of the certification as to any new Tribal Lottery System or any component thereof, and within fifteen (15) days of the receipt of the certification as to any modification of a system which has already been approved by the SGA. The certification shall be deemed approved if no action is taken thereon by the SGA within said sixty (60) day period or fifteen (15) day period, as may be applicable. The fifteen (15) day period shall be extended for the first nine (9) months after the effective date of this Appendix and, during that first nine (9) month period, such certification shall only be deemed approved if no action is taken within thirty (30) days. Any disputes arising out of the approval process in this Section 10.3 shall be resolved in accordance with Compact Section XI.

10.4 Modifications of Approved Lottery Systems; Emergency Certifications. No modification to any Tribal Lottery System may be made after testing, certification, and approval of a Tribal Lottery System without certification of the modification by the Gaming Test Laboratory under Section 10.2 and approval thereof by the SGA under Section 10.3. In situations where immediate modifications are necessary to preserve the integrity of a Tribal Lottery System which has been operating pursuant to an approval obtained under Section 10.3, the Gaming Test Laboratory may issue an emergency certification of the modification and that it must be made immediately to preserve the integrity of the Tribal Lottery System. Such emergency certifications shall be deemed to be temporarily approved by the SGA and remain in effect until the SGA takes action on the certification, which shall be governed by Section 10.3, provided that no emergency certification shall be valid or effective until actually approved by the SGA if it was not received by the SGA within five (5) days after being issued.

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10.5 Manufacturer's Conformity to Technical Standards. Before any component of a Tribal Lottery System may be placed into operation, the Tribe shall first have obtained a written certification from the manufacturer that, upon installation, each such component: (a) conforms to the specifications of the Tribal Lottery System as certified by the Gaming Test Laboratory; and (b) operates and plays in accordance with the requirements of the Compact.

Authorization to operate a Tribal Lottery System requires that it operate and play in accordance with the requirements specified by this Appendix; provided that while the failure of such Tribal Lottery System to comply with such requirements will suffice as a grounds to enjoin or otherwise terminate said Tribal Lottery System's operation, such non-compliance will not be deemed a violation of the Compact as long as the Tribe has relied in good faith on the certification of the manufacturer and has retained a written certification in the manner described in this section.

10.6 Payment of Gaming Test Laboratory Fees. The Tribe shall be responsible for the payment of all Gaming Test Laboratory fees and costs in connection with the duties described in the Compact. The Tribe shall provide copies of all Gaming Test Laboratory invoices and payments by the Tribe to the SGA, which shall have the right to audit such fees. In order to assure independence of the Gaming Test Laboratory, any Gaming Test Laboratory Payment delinquency by the Tribe of fees or costs due to the Gaming Test Laboratory may be grounds by the SGA for rejecting such laboratory's reports or certification.

10.7 Gaming Test Laboratory Duty of Loyalty. The Tribe shall inform the Gaming Test Laboratory in writing that, irrespective of the source of payment of its fees, the Gaming Test Laboratory's duty of loyalty and reporting requirements run equally to the Tribe and the State.

10.8 Random Inspections. The Tribe shall allow the SGA to inspect any components of the Tribal Lottery System for the purposes of confirming that such component is operating in accordance with the requirements of the Compact and that such component is identical to that tested by an Independent Test Laboratory. Inspections shall be pursuant to the Gaming Facility access rules set forth in the Compact.

10.9 SGA to be Supplied Model of Player Terminal and System. If not already provided to the SGA, the SGA shall, upon request, be supplied a Player Terminal Central Computer and Manufacturing Computer to be held at the SGA's offices for purposes of determining compliance with these technical requirements.

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SECTION 11. ALTERNATIVE STANDARDS PERMITTED

Notwithstanding anything in this Appendix to the contrary, the SGA and the Tribe may agree on alternative provisions to those set forth herein, provided such provisions adequately preserve and protect the integrity and security of any game or Gaming system or component, or accounting or auditing system or component, affected thereby.

SECTION 12. TRIBAL LOTTERY SYSTEM PLAYER TERMINAL ACQUISITION AND OPERATION

12.1 Allocation. Compact Section III.K governs Player Terminal Allocations, and such provisions are incorporated herein.

12.2 Other Circumstances. Except as specifically provided in Compact Section III.K, in the event the State agrees (or is required by law or a court ruling to agree) to permit an allocation of Player Terminals to a tribe which is greater, or is on terms which are more favorable, than as set forth in the Compact, the Tribe shall be entitled to such greater allocation or more favorable terms.

SECTION 13. STATE REGULATORY FEES

Compact Section X governs the Set-up Fee and Annual Regulatory Fees, and such provisions are incorporated herein.

SECTION 14. COMMUNITY INVESTMENTS AND PUBLIC HEALTH

14.1 Community and Charitable Impact. Compact Section III.P addresses the Tribe's contributions, and such provisions are incorporated herein.

14.2 Problem Gambling and Responsible Gaming. Compact Section III.Q addresses the Tribe's problem gambling and responsible gaming program, and such provisions are incorporated herein.

14.3 Smoking Cessation and Prevention. Compact Section III.O(3) addresses the Tribe's commitment to public health, safety, and environmental protection, and such provisions are incorporated herein.

SECTION 15. HOURS OF OPERATION

Compact Section III.E governs hours of operation, and such provisions are incorporated herein.

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PUYALLUP TRIBE OF INDIANS – STATE OF WASHINGTON

CLASS III GAMING COMPACT

APPENDIX Y
(AMENDED AND RESTATED)

REQUIREMENTS FOR ELECTRONIC GAMBLING DEVICES

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APPENDIX Y
REQUIREMENTS FOR ELECTRONIC GAMBLING DEVICES

SECTION 1. INTRODUCTION

1.1 Definitions. Capitalized terms used in this Appendix are defined in Appendix D "Definitions" and are incorporated herein.

1.2 General. This Appendix is created to provide the basic "core" requirements for Electronic Gambling Devices ("EGDs") authorized under Compact Section IV.D and to establish the approval and testing process for gaming machines and associated equipment that are to be operated by the Tribe in the State of Washington, pursuant to the Compact heretofore approved by the Secretary of the Interior. This Appendix does not apply to EGD's authorized under Appendix X2 to the Compact, which are governed by the respective Appendix.

These standards take into consideration certain judicially articulated restrictions on the use and operation of EGDs. Those restrictions prohibit:

1.2.1 Individual play against such devices or terminals; and

1.2.2 Activation of Gaming devices by the insertion of a coin or currency.

1.3 Intent. The intent of this Appendix is to ensure that Gaming located on Tribal Lands occurs in a manner that is:

1.3.1 Fair;

1.3.2 Secure;

1.3.3 Auditable; and

1.3.4 Compliant with judicially articulated restrictions.

1.4 Testing. The general purpose of testing Gaming equipment is to determine the suitability of such Gaming equipment for operation in the intended environment. Prior to operation, all EGDs and associated equipment shall be tested by a licensed Gaming laboratory to:

1.4.1 Verify that they comply with the requirements of the Compact and this Appendix;

1.4.2 Ensure that they are fair to both the Players and the operators;

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1.4.3 Verify that they comply with currently accepted Gaming test industry standards such as GLI 11 and 12; and

1.4.4 Ensure that the equipment does not constitute:

(a) Electronic, mechanical, or electro-mechanical devices or terminals which allow for individual play against such devices or terminals, or

(b) Gambling that is activated/initiated by the insertion of a coin or currency.

1.5 Judicially Articulated Restrictions. EGDs may be utilized by the Tribe under the following conditions:

1.5.1 The EGD is activated by a cashless transaction system[1] and not by the insertion of coin or currency;

1.5.2 The EGD does not allow for individual play against the device or terminal. The Parties agree that this requirement can be met in the following non-exclusive ways:

(a) Players compete for a number from a predetermined set of numbers, each associated with a specific outcome; or

(b) Players compete in a pooled wagering system whereby prizes are awarded from a wagering pool or pools made up of the Players' wagers and the house is entitled to a set amount of the pooled wagers. Systems meeting the requirements of this subsection may allow for an initial seeding of the wagering pool by the house, and reseeding in circumstances of excessive volatility.

1.5.3 Player terminals[2] do not contain slot machine-type spinning reel mechanisms in mechanical form, nor allow for activation by a slot machine-type handle; and

1.5.4 The Tribe and the SGA have signed an agreement for each specific type of EGD which confirms that that type of EGD meets the foregoing requirements and sets technical standards and Internal Controls for operation of that type of EGD.

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[1] This phrase does not have the same meaning as Cashless Transaction System as outlined in Appendix X2 Section 2.1.

[2] This phrase does not have the same meaning as Player Terminal as outlined in Appendix X2, Section 2.13.

1.6 Approval Process.

1.6.1 Except for those EGDs governed by Appendix X2, the Tribe and the SGA shall enter into an agreement for each specific type of EGD which the Tribe wishes to operate. Each agreement shall confirm that the proposed type of EGD meets the requirements contained in the Compact and this Appendix, and shall set the technical standards and Internal Controls for the operation of that type of EGD. Such technical standards and Internal Controls shall be uniformly applied to all Washington State gaming tribes and shall include, but not be limited to: operation, interface, and random number generator standards; game reports; accounting system requirements and reports; cashless transaction system requirements and reports; security system requirements; testing requirements; and regulatory fees.

1.6.2 The Tribe may present to the SGA, at any time, a machine concept it believes satisfies the requirements of the Compact and this Appendix. Within thirty (30) days thereafter, the SGA shall notify the Tribe of its acceptance or rejection of said concept. If the SGA accepts the Tribe's concept, the Tribe and the SGA shall have ninety (90) additional days to execute the agreement required by Section 1.6.1; provided, however, said ninety (90) day period shall not commence until the Tribe has made a full submission of its machine proposal to the SGA; provided, further, that the Tribe shall not commence operation of said EGD until the laboratory testing and certification requirements referred to in Section 1.4 are met.

1.6.3 A "full submission," as that term is used in Section 1.6.2, shall include machine hardware (a prototype EGD), base software (the software platform upon which games are loaded), game software for one or more games, and a detailed narrative description of said hardware, base software, and game software. Failure of the Tribe and the SGA to agree upon a machine concept or failure to execute an agreement required by Section 1.6.1 shall constitute a dispute or disagreement between the Tribe and the SGA, subject to the dispute resolution provisions contained in Compact Section XI.

SECTION 2. TESTING AND MACHINE APPROVAL

2.1 Designation of Independent Gaming Test Laboratory. The SGA shall select one or more gaming test laboratories (hereinafter "Gaming Test Laboratory") to perform the testing required in this Appendix and will create a list of the same. Any Gaming Test Laboratory selected shall have demonstrated it is competent and qualified to conduct scientific tests and evaluations of electronic Gaming systems and to otherwise perform the functions set

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forth in the Compact. The Tribe may request additional laboratories be placed on the SGA's list of Gaming Test Laboratories, which request shall not be unreasonably denied. Any laboratory that is currently licensed and approved by any state, province or country to test or evaluate EGDs or electronic Gaming systems shall be placed on the list if, after review by the SGA, it is found to be so qualified and otherwise meets the background and licensing requirements applicable to such laboratories under Washington State law. For any testing required under this Appendix, the Tribe shall choose a laboratory from those Gaming Test Laboratories on said SGA list. If, at any time, any of the Gaming Test Laboratories' licenses from any jurisdiction are suspended, terminated, or subject to disciplinary actions, the Gaming Test Laboratories may be removed from the SGA's list. If removed from the SGA's list, the Tribe shall choose a new Gaming Test Laboratory as provided herein.

2.2 Testing and Certification of EGDs. No EGD may be offered for play unless:

2.2.1 Such EGD is approved by the Parties as provided in this Appendix; or

2.2.2 The EGD prototype thereof has been tested and certified by the Gaming Test Laboratory as meeting the requirements specified by this Appendix.

2.2.3 If not already provided to the Gaming Test Laboratory, the Tribe shall provide or require that the manufacturer provide to the Gaming Test Laboratory two copies of EGD illustrations, schematics, block diagrams, circuit analyses, technical and operation manuals, program object and source codes, hexadecimal dumps (the complied computer program represented in base 16 format), and any other information requested by the Gaming Test Laboratory. The Tribe shall make all such materials available to the SGA upon request.

2.2.4 If requested by the Gaming Test Laboratory, the Tribe shall require the manufacturer to transport not more than two working models of the EGD to a location designated by the laboratory for testing, examination or analysis. Neither the State nor the Gaming Test Laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the components of the EGD. If requested by the Gaming Test Laboratory, the Tribe shall require the manufacturer to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis.

2.2.5 At the conclusion of each test, the Gaming Test Laboratory shall provide to the TGA and the SGA a report that contains findings, conclusions, and a certification that the EGD conforms or fails to conform to the requirements contained in the

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Compact. If the Gaming Test Laboratory determines that the device fails to conform to such requirements or technical standards, and if modifications can be made which would bring the EGD into compliance, the report may contain recommendations for such modifications. The Parties are not bound by the findings, conclusions or certifications of the Gaming Test Laboratory for purposes of enforcement of the provisions of the Compact.

2.3 Approval by the SGA. Upon receiving the certification from the Gaming Test Laboratory, the SGA shall either approve or disapprove the EGD or component thereof based on the technical criteria contained in this Appendix and the agreement adopted under Section 1.6, within sixty (60) days of receipt of the certification as to any new EGD or component thereof, and within fifteen (15) days of the receipt of the certification as to any modification to a system which has already been approved by the SGA. The certification shall be deemed approved if no action is taken thereon by the SGA within said sixty (60) or fifteen (15) day period, as may be applicable. Any disputes arising out of the approval process in this Section 2.3 shall be resolved in accordance with Compact Section XI.

2.4 Modifications of Approved Systems: Emergency Certifications. No modification to any EGD may be made after testing, certification, and approval of an EGD without certification of the modification by the Gaming Test Laboratory under Section 2.3 and approval thereof by the SGA under this Section 2.4. In situations where immediate modifications are necessary to preserve the integrity of an EGD which has been operating pursuant to an approval obtained under Section 2.3, the Gaming Test Laboratory may issue an emergency certification of the modification and that it must be made immediately to preserve the integrity of the EGD. Such emergency certifications shall be deemed to be temporarily approved by the SGA and remain in effect until the SGA takes action on the certification, which shall be governed by Section 2.3, provided that no emergency certification shall be valid or effective until actually approved by the SGA, if it was not received by the SGA within five (5) days after being issued.

2.5 Manufacturer's Conformity to Technical Standards. Before any component of an EGD may be placed into operation, the Tribe shall first have obtained and submitted to the SGA a written certification from the manufacturer that upon installation each such component: (a) conforms to the specifications of the EGD as certified by the Gaming Test Laboratory; and (b) operates and plays in accordance with the requirements of the Compact Procedures.

Authorization to operate an EGD requires that it operate and play in accordance with the requirements specified by this Appendix; provided that while the failure of such EGD to

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comply with such requirements will suffice as grounds to enjoin or otherwise terminate said EGD's operation, such non-compliance will not be deemed a violation of the Compact as long as the Tribe has relied in good faith on the certification of the manufacturer.

2.6 Payment of Gaming Test Laboratory Fees. The Tribe shall be responsible for the payment of all Gaming Test Laboratory fees and costs in connection with the duties described in this Appendix. The Tribe shall provide copies of all Gaming Test Laboratory invoices and payments by the Tribe to the SGA, which shall have the right to audit such fees. In order to assure independence of the Gaming Test Laboratory, any Gaming Test Laboratory payment delinquency by the Tribe of fees or costs due to the Gaming Test Laboratory may be grounds by the SGA for rejecting such laboratory's reports or certification.

2.7 Gaming Test Laboratory Duty of Loyalty. The Tribe shall inform the Gaming Test Laboratory in writing that, irrespective of the source of payment of its fees, the Gaming Test Laboratory's duty of loyalty and reporting requirements run equally to the Tribe and the State.

2.8 Random Inspections. The Tribe shall allow the SGA to inspect any components of an EGD for the purposes of confirming that such component is operating in accordance with the requirements of the Compact and that such component is identical to that tested by an independent test laboratory. Inspections shall be pursuant to the Compact.

2.9 SGA to be Supplied Model of Player Terminal and System. If not already provided to the SGA, the SGA shall, upon request, be supplied all components of each EGD to be held at the SGA's offices for purposes of determining compliance with these technical requirements.

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