



# United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240

AUG 26 2021

The Honorable Leonard Forsman  
Chairman, Suquamish Indian Tribe  
Of the Port Madison Reservation  
P.O. Box 498  
Suquamish, Washington 98392

Dear Chairman Forsman:

On July 13, 2021, the Suquamish Indian Tribe of the Port Madison Reservation (Tribe) and the State of Washington (State) submitted the Fourth and Fifth Amendments to the Tribal-State Compact for Class III Gaming between the Suquamish Tribe (Tribe) and the State of Washington (Amendments), providing for the regulation of class III gaming activities by the Tribe. The Fourth Amendment authorizes the Tribe to operate sports wagering at the Tribe's class III gaming facility, updates the Compact to reflect this change in various sections, and incorporates Appendix S, Sports Wagering. The Fifth Amendment contains modernization revisions and incorporates Appendix E.

We completed our review of the Amendments and conclude that they do not violate the Indian Gaming Regulatory Act (IGRA), any other provision of Federal law that does not relate to jurisdiction over gaming on Indian lands, or the trust obligations of the United States to Indians. 25 U.S.C. § 2710(d)(8)(B). Therefore, pursuant to my delegated authority and Section 11 of IGRA, I approve the Amendments. 25 U.S.C. § 2710(d)(8)(A). The Amendments take effect when the notice of this approval is published in the *Federal Register*. 25 U.S.C. § 2710(d)(3)(B).

A similar letter is being sent to the Honorable Jay Inslee, Governor, State of Washington.

Sincerely,

Bryan Newland  
Assistant Secretary – Indian Affairs

Enclosure

**FOURTH AMENDMENT TO THE TRIBAL-STATE COMPACT  
FOR CLASS III GAMING BETWEEN  
THE SUQUAMISH TRIBE AND THE STATE OF WASHINGTON**

**INTRODUCTION**

The SUQUAMISH TRIBE (hereafter “Tribe”) and the STATE OF WASHINGTON (hereafter “State”) entered into a Class III gaming compact (hereafter “Compact”) on January 26, 1995, pursuant to the Indian Gaming Regulatory Act of 1988 (hereafter “IGRA”). At the request of the Tribe, the Tribe and State entered negotiations for further amendments to the Compact. The parties have reached an agreement on Compact amendments as set forth in this document. The parties believe the conduct of Class III gaming under the terms and conditions set forth below will, from a regulatory perspective, benefit the Tribe and the State and protect members of the Tribe and citizens of the State consistent with the objectives of IGRA.

**COMPACT AMENDMENT**

**1. Compact Section II is amended to read as follows:**

G. “Gaming Employee” means individuals employed in the operation or management of the Gaming Operation, whether employed by or contracted to the Tribe or by any person or enterprise providing on or off-site services to the Tribe within or without the Gaming Facilities regarding any Class III activity. The term includes but is not limited to, Gaming Operation managers and assistant managers; accounting personnel; surveillance and security personnel; cashier supervisors; dealers or croupiers; box men; floormen; pit bosses; shift bosses; cage personnel; collection personnel; gaming consultants; Sports Wagering personnel; and any other natural person whose employment duties require or authorize access to restricted areas of the Gaming Facilities not otherwise opened to the public, or to other areas designated and agreed upon by the Tribal and State Gaming Agencies. Depending upon the duties involved in any position in the Gaming Operation, the State and Tribal Gaming Agencies may, by mutual agreement, exclude some employees who are included under this definition, or include other employees not listed.

H. “Gaming Facility” or “Gaming Facilities” means the room or rooms building or buildings or portions thereof in which Class III Gaming activities occurs as authorized by this Compact ~~are conducted on Suquamish Indian Lands.~~

**2. Compact Section II is amended to add the following definitions:**

EE. “Cash” when used as a noun, means currency in the form of coins or bills issued by the government of the United States.

FF. “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 person’s control or influence, upon an agreement or understanding that the person or someone else will receive something of value in the event of a certain outcome.

GG. “Memorandum of Understanding” or “MOU” means a document agreed upon by both the Tribe and State Gaming Agency that clarifies terms or details of agreed upon Compact provisions and does not add provisions which would require an amendment.

**3. Compact Section II is amended to add the definition of “Cash Equivalent” as follows and the prior definition of “Cash Equivalent” in Appendix A, Section 1 is stricken:**

HH. “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 tribal gaming operation payable to the patron or to the tribal 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;

**4. Compact Section III, A, as previously amended, is amended to add:**

25. Sports Wagering, subject to Appendix S.

**5. Compact Section III, G is amended to read as follows:**

G. Forms of Payment. All payment for wagers made in authorized forms of Class III gaming conducted by the Tribe on its Indian Lands, including the purchase of chips used in wagering, shall be made by eCash, or eCash eEquivalent, credit card or personal check. Cash payments for wagers made through near-field communication (NFC) devices, EMV or smart cards, or similar secure payment technologies may be utilized upon agreement between the Tribe and the State Gaming Agency and documented in a Memorandum of Understanding. ~~The Tribal Gaming Operation shall not extend credit to any patron of the Gaming Facility for gaming activities.~~

**6. Compact Section IX, C is amended to read as follows:**

C. Consent to Concurrent Application of State Law To Regulate Tribal Gaming Activities. For the purposes of 18 USC Section 1166(d), and enforcement of provisions of this Compact with respect to certification, criminal conduct, and protection of the public health, safety and welfare, to the extent not inconsistent with other provisions of this Compact, and to the extent such laws do not restrict the ability of the Tribe to conduct Class III gaming pursuant to this Compact, the parties adopt the laws enumerated below, as written or hereafter amended, as governing under this Compact. The Tribe shall adopt criminal law ordinances modeled, upon, that are consistent with tribal custom, and

that are consistent with, and at least as restrictive as State criminal gaming laws in RCW 9.46.0364; 9.46.0368; 9.46.037; 9.46.038; 9.46.0245; 9.46.0269; 9.46.070; 9.46.075; 9.46.130; 9.46.140; 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; 9.46.210 (3), (4), (5) & (6); 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; 74.08.580; 67.04; and 67.16.060; 67.24; 67.70; 9A.52; 9A.56; 9A.60; 9A.68; 9A.83.020; 9A.82; 9.35.010; and 9.35.020 as now or hereafter amended. To the extent required pursuant to this Compact, and consistent with the terms of this Compact, the Tribe consents to the concurrent application of State gaming laws with respect to Class III gaming activities on Suquamish Indian Lands. Notwithstanding provisions in the Compact to the contrary, any penalty or fine contained in State statutory provisions regulating gaming activities which conflict with any limitations upon the Tribe under federal statute, shall comport with federal law. Nothing in this Compact shall be deemed a consent or submission of or by the Tribe to the jurisdiction or application of any other law of the State.

## **7. Digital Wallet.**

The Tribe and State agree that connecting a patron's Tribal Lottery System Player Account and Sports Wagering Account "digital wallet", or other payment/wagering accounts, at the Gaming Operation shall not be deemed approved as part of the approval of this Amendment. Any future proposal from the Tribe to make such connections must meet Compact and applicable Appendices requirements. If the Tribe's Compact and Appendices provisions do not allow this connection, additional amendments/negotiations may be initiated. If the Tribe determines its proposal meets current Compact and Appendices requirements, the proposal will be submitted to and approved by the Tribe and State Gaming Agency, and such agreement will be documented. The documentation will include at a minimum: how it complies with Compact and Appendices; security, integrity, and testing provisions; and related Internal Controls. Nothing in this amendment is intended to prevent the Tribe from offering a "digital wallet" for Sports Wagering.

## **8. Payment of Start-Up Costs fee.**

A Start-Up Costs fee includes the actual costs incurred by the State Gaming Agency for negotiations, rule development, regulatory program development, training, and similar activities necessary to implement Sports Wagering. The State Gaming Agency will provide the Tribe with a detailed explanation of the actual and reasonable costs incurred by the State Gaming Agency to implement Sports Wagering. The Tribe's operation, or continued operation, of Sports Wagering is contingent on the receipt of the Tribe's share of the Start-Up Costs fee.

The Tribe's share will be determined equal to the Start-Up Costs fee divided by the number of tribes implementing Sports Wagering on or before March 31, 2023, unless the implementing tribes transmit to the State Gaming Agency by March 31, 2023, a unanimously agreed to alternative Start-up Costs fee distribution method documented in a Memorandum of Understanding between all implementing tribes and provided to the State Gaming Agency.

The Tribe's share of the Start-Up Costs fee will be invoiced by April 15, 2023, with payment due to the State Gaming Agency no later than May 30, 2023.

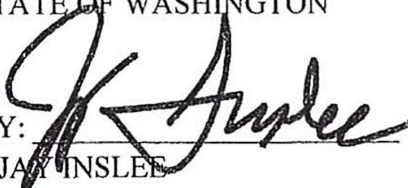
IN WITNESS WHEREOF, the Suquamish Tribe and the State of Washington have executed this Fourth Amendment to the Compact.

SUQUAMISH TRIBE


BY:   
LEONARD FORSMAN  
Chairman

DATED: 6-14-2021

STATE OF WASHINGTON

BY:   
JAY INSLEE  
Governor

DATED: 7/6/2021

By:   
Bryan Newland  
Assistant Secretary - Indian Affairs

Dated: AUG 26 2021

**SUQUAMISH TRIBE  
and the  
STATE OF WASHINGTON  
CLASS III GAMING COMPACT**

**APPENDIX S  
SPORTS WAGERING**

<b>SECTION 1. INTRODUCTION.....</b>	<b>1</b>
<b>SECTION 2. DEFINITIONS.....</b>	<b>1</b>
<b>SECTION 3. SPORTS WAGERING ACTIVITIES AND LOCATION.....</b>	<b>4</b>
3.1 Sportsbook .....	4
3.2 Server .....	4
3.3 Mobile Sports Wagering.....	4
<b>SECTION 4. KIOSKS .....</b>	<b>4</b>
4.1 Location .....	4
4.2 On Gaming Floor .....	4
4.3 Off Gaming Floor .....	4
4.4 Pre-operation Inspection .....	5
<b>SECTION 5. STANDARDS OF CONDUCT AND OPERATION .....</b>	<b>5</b>
5.1 Approved Sports Wagers .....	5
5.2 Prohibited Activities and Participants.....	7
5.3 Sports Wagering System.....	8
5.4 Wagering Limits .....	9
5.5 Reserve Requirement .....	10
5.6 Player Accounts .....	10
5.7 Surveillance.....	10
5.8 Accounting Records.....	10
5.9 Internal Controls .....	11
5.10 House Rules .....	14
<b>SECTION 6. SPORTS WAGERING LICENSING AND CERTIFICATION .....</b>	<b>14</b>
6.1 Applicability of Compact Provisions.....	14
6.2 Sports Wagering Vendors .....	14
6.3 Tribal Licensing of Sports Wagering Vendors .....	16
6.4 State Certification of Sports Wagering Vendors .....	16

6.5	Fees for State Certification .....	16
<b>SECTION 7. CRIMINAL ENFORCEMENT .....</b>		<b>16</b>
7.1	Anti-Money Laundering .....	16
7.2	Sports Integrity.....	16
7.3	Information Sharing .....	17
<b>SECTION 8. PROBLEM AND RESPONSIBLE GAMBLING.....</b>		<b>18</b>
8.1	Monetary Contribution.....	18
8.2	Self-Exclusion.....	18
8.3	Commitment to Responsible Sports Wagering .....	18
8.4	Problem Gambling Task Force .....	18

## **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 25 years' experience with, and a proven track record of, successfully operating gaming in accordance with their compacts. Tribes in Washington and the State Gaming Agency 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 contains interdependent conditions and consequences that must be accepted as a whole in order to operate or participate in Sports Wagering.

## **SECTION 2. DEFINITIONS**

The following terms apply to this Appendix. All capitalized terms not defined herein, to the extent they do not conflict, shall have the same definitions as in the Tribe's Compact and appendices, as amended.

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

"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.

"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.



“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.

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

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

“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.

“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.

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

“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.

“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 chapter 67.16 RCW.

“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 chapter 67.16 RCW.

“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 Net Win” means the total amount wagered or played less the amounts repaid to winners as reported as gaming revenue on the annual audited financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The amount of wagers placed by the Gaming Operation and amounts received by the Gaming Operation as payments on Layoff Wagers shall not affect the computation of Sports Wagering Net Win.

“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 this Appendix, 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. “Sports Wagering System” does not include a Mobile Device owned and used by a patron 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 Tribal Gaming Agency, and any window in the cashier’s cage designated only for the redemption of winning Sports Wagering tickets.

“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.

“Unusual Wagering Activity” means abnormal wagering exhibited by a patron or patrons 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 patron’s wager, or increased wagering volume on a particular event or wager type.

### **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 Tribal Gaming Agency and the State Gaming Agency 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 Tribal Gaming Agency and/or State Gaming Agency will send a non-compliance letter to the Tribe and Gaming Facility manager or responsible person within seven (7) working days after completion of the inspection. If the Tribal and State Gaming Agencies do not agree on whether a Sportsbook meets the requirements, the Gaming Agencies 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 Gaming Agencies 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 thirty (30) days prior to offering Mobile Sports Wagering, the Gaming Operation must submit a proposal to the Tribal Gaming Agency and State Gaming Agency for review and 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 Tribal and State Gaming Agencies take no action within thirty (30) 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 Tribal Gaming Agency and State Gaming Agency for review and concurrence in accordance with this Section. The Tribal and State Gaming Agencies 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 Tribal and State Gaming Agencies within thirty (30) days, the Parties may seek dispute resolution pursuant to the Compact.

### **SECTION 4. 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.

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 Tribal Gaming Agency and the State Gaming Agency 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 Tribal Gaming Agency and/or State Gaming Agency will send a non-compliance letter to the Tribe and Gaming Facility manager or responsible person within seven (7) working days after completion of the inspection. If the Tribal and State Gaming Agencies do not agree on whether a Sports Wagering Kiosk meets the requirements, the Gaming Agencies 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 Gaming Agencies 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 State Gaming Agency 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 of this Appendix.

### 5.1.3 Additions to Authorized Sports Wagering Menu.

- a. The Gaming Operation may apply to the Tribal Gaming Agency, in the form required by Tribal Gaming Agency, to add additional leagues, organizations, or wager types to the Authorized Sports Wagering Menu. The Tribal Gaming Agency will provide notice to the State Gaming Agency of any approval no fewer than five (5) business days before the Gaming Operation intends to offer a Sports Wager on the new league, organization, or wager type.
- b. If the State Gaming Agency 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 State Gaming Agency will immediately notify the Tribal Gaming Agency, and no Sports Wagers will be offered by the Gaming Operation on the new league, organization, or wager type. The Tribal Gaming Agency and the State Gaming Agency will meet within five (5) business days of the Tribal Gaming Agency's initial notice to the State

Gaming Agency of its approval to discuss the State Gaming Agency's concerns. The timeframe for meeting may be extended by mutual agreement. If after meeting, the Tribal Gaming Agency and State Gaming Agency cannot come to agreement on the Tribal Gaming Agency's determination, the Gaming Operation may offer the Sports Wager(s) at issue and the State Gaming Agency may initiate dispute resolution pursuant to the Compact.

5.1.4 Removals from the Authorized Sports Wagering Menu.

- a. The Tribal Gaming Agency and State Gaming Agency 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 Tribal and State Gaming Agencies agree on the removal, the State Gaming Agency 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 State Gaming Agency may remove a league, organization, or wager type when all such tribal gaming agencies affirmatively consent to removal.
- c. If the Tribal Gaming Agency and State Gaming Agency disagree on whether an item should be removed, the Tribal Gaming Agency and the State Gaming Agency 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 Tribal Gaming Agency and State Gaming Agency 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 State Gaming Agency 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 available Sports Wagers as described in Section 5.1.1a, it will notify the State Gaming Agency 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 Tribal Gaming Agency.

## 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 individual under 18 years of age;
- b. Any individual 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;
- 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 Tribal Gaming Agency and State Gaming Agency by a Sports Governing Body that the Tribal Gaming Agency and State Gaming Agency 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 which 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 Tribal Gaming Agency and certified by the State Gaming Agency. The State Gaming Agency 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 and Appendices. Alternative standards may be agreed to by the Tribal and State Gaming Agencies 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 Tribal Gaming Agency and the State Gaming Agency a report that contains findings, conclusions, and a certification that the Sports Wagering System 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 and eighty (180) days, the Independent Test Laboratory may provide to the Tribal Gaming Agency and the State Gaming Agency 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 State Gaming Agency: (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 Tribal and State Gaming Agencies 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 above.

5.3.6 Approval of Certification; Revocation. The Tribal Gaming Agency 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 State Gaming Agency of its findings and decision. The State Gaming Agency will notify the Tribal Gaming Agency if the State Gaming Agency determines a certification from the Independent Test Laboratory was issued in error. The Gaming Agencies will meet and confer to discuss the State Gaming Agency's concerns. Tribal Gaming Agency 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 State Gaming Agency will collaborate with the Tribal Gaming Agency to provide training opportunities at agreed upon location(s).

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 Tribal Gaming Agency and certified by the State Gaming Agency. The independent technical expert's report will be submitted to the Tribal Gaming Agency and the State Gaming Agency and will include: (a) the scope of review, (b) name and company affiliation of the individuals 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 Tribal Gaming Agency 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 Tribal Gaming Agency.

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 below.



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 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 Tribal Gaming Agency and State Gaming Agency.

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 Tribal Gaming Agency with concurrence from the State Gaming Agency, 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 Surveillance System in accordance with Compact, Appendix A, or as otherwise provided in the Tribe's Internal Controls. Mobile Devices owned by the Gaming Operation that are utilized by a patron as part of the Sports Wagering System may have lesser surveillance requirements outlined in the Tribe's Internal Controls.

5.8 Accounting Records. As part of the accounting records required to be kept in accordance with the Compact and 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 Tribal Gaming Agency shall forward to the State Gaming Agency its initial Internal Controls for review and concurrence. The proposal will contain a narrative representation of the internal control system. The Tribal Gaming Agency shall detail how the Internal Controls meet or exceed the requirements described in this Section 5.9. The State Gaming Agency concurrence with the Tribal Gaming Agency proposal shall be deemed granted after twenty (20) days of receipt of the Tribal Gaming Agency proposal if no disapproval in writing is received from the State Gaming Agency. The State Gaming Agency shall only disapprove such portions of a proposal it finds would have a material adverse impact on public interest or on the integrity of Sports Wagering and shall detail the reasons for disapproval. If a dispute regarding this process cannot be resolved by the Gaming Agencies within thirty (30) days, the Parties may seek dispute resolution pursuant to the Compact.

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

- 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 Tribal Gaming Agency;
- 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;
- 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 \$2,000 or more, and include the retention of the wager record information with patron 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 \$10,000;
- k. Description of a process for accepting multiple Sports Wagers from one patron in a 24-hour cycle, including a process to identify patron 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 (CIS), as amended or modified, or equivalent standards as approved by the Tribal Gaming Agency with concurrence from State Gaming Agency;
- 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 patrons' 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 Tribal Gaming Agency, provided that such methods will include, at a minimum: (A) if in person, verify the patron's identity against a form of valid, federal, state, or tribal government-issued, photo identification, (B) the correct response to two or more challenge questions, (C) strong authentication, or (D) 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;
- 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 State Gaming Agency and Tribal Gaming Agency 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 Tribal Gaming Agency shall forward to the State Gaming Agency any proposed changes to the Internal Controls for review and concurrence. The Tribal Gaming Agency shall detail how such changes in the provisions adequately preserve and protect the integrity and security of the standard it is replacing. The State Gaming Agency concurrence with the Tribal Gaming Agency proposal shall be deemed granted after twenty (20) days of receipt of the Tribal Gaming Agency proposal if no disapproval in writing is received from the State Gaming Agency. The State Gaming Agency shall only disapprove such portions of a

proposal 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.

5.10 House Rules. The Gaming Operation will adopt comprehensive house rules, which must be approved by the Tribal Gaming Agency, and made available to patrons at the Gaming Facility and through the Sports Wagering System. House Rules shall include: (1) Method for calculation and payment of winning wagers; (2) Description of the process for handling incorrectly posted events, odds, wagers, or results; (3) Effect of schedule changes; (4) Method of notifying patrons of odds or proposition changes; (5) Acceptance of wagers at other than posted terms; (6) Expiration of any winning ticket; (7) Lost ticket policy; (8) Method of contacting the operator for questions and complaints; (9) A policy by which Gaming Operation can cancel or void wagers; and (10) Description of Prohibited Sports Wagering Participants.

## **SECTION 6. SPORTS WAGERING LICENSING AND CERTIFICATION**

The Tribe and State will share information about significant licensing and certification matters that reflect on the conduct of Sports Wagering.

6.1 Applicability of Compact Provisions. Sports Wagering Vendors will be licensed and certified in accordance with this Appendix; however, to extent they are not addressed herein, the following sections of the Compact will also apply to this Appendix: Section IV, Licensing and Certification Requirements, and Section V, Licensing and State Certification Procedures, including but not limited to licensure of Gaming Employees and exemptions from licensure. All manufacturers, suppliers of Gaming Services, and Financiers not expressly identified in this Appendix will be licensed and certified in accordance with Section IV of the Compact, unless exempted therein. Consistent with Section IV of the Compact, in the event a Sports Wagering Vendor provides or intends to provide less than \$25,000 in Sports Wagering goods or services annually, the licensing requirements may be waived upon the mutual agreement of the Tribal and State Gaming Agencies. This waiver does not apply to Sports Wagering Vendors whose compensation is contractually determined by the Tribe's Sports Wagering revenue.

6.2 Sports Wagering Vendors. Each Sports Wagering Vendor must be licensed by the Tribal Gaming Agency and certified by the State Gaming Agency prior to the sale or delivery of any component of the Sports Wagering System or Sports Wagering services to the Tribe. If a Sports Wagering Vendor is certified by the State Gaming Agency to supply any component of the Sports Wagering System or Sports Wagering services to any other tribe in Washington State, it shall be deemed certified to supply similar goods or services to the Tribe for the purposes of this Appendix, provided that such goods and services are within the same Sports Wagering Vendor category, each of which are described in Sections 6.2.1 – 6.2.3 below.

6.2.1 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 Tribal Gaming Agency and certified by the State Gaming Agency. 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.

6.2.2 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 Sports Wagering Vendor by the Tribal Gaming Agency and certified by the State Gaming Agency. For the purpose of this Section 6.2.2, 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 Tribal and State Gaming Agencies agree must be licensed and certified as a Mid-Level Sports Wagering Vendor because the provider's services are directly related to Sports Wagering.

6.2.3 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 Tribal Gaming Agency and certified by the State Gaming Agency. For the purpose of this Section 6.2.3, 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.

6.3 Tribal Licensing of Sports Wagering Vendors. All applicants required to be licensed by the Tribe shall complete forms furnished by the Tribal Gaming Agency. The Tribal Gaming Agency shall establish the Tribal licensing fees for Sports Wagering Vendors.

6.4 State Certification of Sports Wagering Vendors. Each Sports Wagering Vendor and its representatives shall apply for certification by the State Gaming Agency and shall submit the completed applications along with the required information and fees to the State Gaming Agency. The State Gaming Agency shall expedite Sports Wagering Vendor 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 State Gaming Agency will conduct interviews virtually and review documents electronically when possible. The State Gaming Agency will perform a site visit if an applicant requests a site visit or if the State Gaming Agency determines that the information sought is critical to its investigation and such information cannot be obtained by other reasonable measures.

6.5 Fees for State Certification. The fees for initial and renewal State certification shall be determined pursuant to Washington Administrative Code (WAC) Title 230 for Sports Wagering Vendors and their representatives.

## **SECTION 7. CRIMINAL ENFORCEMENT**

### **7.1 Anti-Money Laundering.**

#### **7.1.1 Limits on Anonymous Wagering.**

- a. No patron shall engage in Mobile Sports Wagering, as provided in Section 5.6.1 of this Appendix, without a Player Account.
- b. No patron may anonymously place a single Sports Wager of \$2,000 or more. The Internal Controls will detail acceptable forms and methods of identifying a patron who places a wager of \$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 State Gaming Agency and Tribal Gaming Agency 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 Tribal Gaming Agency and State Gaming Agency 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.

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.

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 Integrity Monitoring Provider of whether or not it has experienced similar activity.

- b. As a condition of licensure by the Tribal Gaming Agency, the Integrity Monitoring Provider will be required to:
  - i. Share information about any Unusual Wagering Activity with other Integrity Monitoring Providers and required to 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 Tribal Gaming Agency, and the State Gaming Agency 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 State Gaming Agency, 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 the information sharing requirements in RCW 9.46.0364, at a minimum, sets forth the Tribe's process for sharing information with Local Law Enforcement Agencies, 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 Tribal Lands. The Tribe will share the Sports Wagering information disclosure policy, and any changes to the policy, with the State Gaming Agency and provide the State Gaming Agency a thirty (30) day comment period before implementation. The Tribe will provide personal identifiable information of patrons with Local Law Enforcement Agencies in accordance with its information sharing policy.



## **SECTION 8. PROBLEM AND RESPONSIBLE GAMBLING**

8.1 Monetary Contribution. The Tribe agrees that Sports Wagering Net Win will be included in the calculation of Class III gaming revenues for purposes of Section 14.4 of Appendix X2 and subject to the applicable payment provisions of Section 14.6 of Appendix X2.

8.2 Self-Exclusion. The Tribe agrees to consider participating in the State Gaming Agency's statewide self-exclusion program once it is implemented.

8.3 Commitment to Responsible Sports Wagering. The Tribe and State Gaming Agency recognize the importance of responsible gambling as part of the shared responsibility to protect the health, welfare, and safety of the citizens of the Tribe and of the State. As part of that responsibility, the Tribe agrees to:

8.3.1 Training. Provide annual training and education for all Gaming Employees, with a separate training for management, to cover such topics as how to identify problem gamblers, how to provide assistance when asked, underage gambling prevention, and unattended children.

8.3.2 Policy. Create and maintain a responsible gambling policy that, at a minimum, includes information about responsible gambling and identifies resources for individuals seeking information about problem gambling. The policy may include information about how and where to seek treatment, national or local hotline numbers, and a description of self-imposed limits offered by the Gaming Operation, if any.

8.3.3 Display Commitment to Responsible Gambling. Each Mobile Sports Wagering application and each Sports Wagering Kiosk shall display a commitment to responsible gambling and a link to the policy created pursuant to Section 8.3.2.

8.3.4 Offer Self-Imposed Limits. Either through the Mobile Sports Wagering application or through the Player Accounts, the Tribe shall include the option to self-impose limitations on wagering parameters including, at a minimum, (a) limits on the dollar amount of deposits a player can make into his or her Player Account within a specified time period, and (b) limits on the total amount of time available for play or wagering during a specified time period.

8.4 Problem Gambling Task Force. The Tribe agrees to consider the results of the Problem Gambling Legislative Task Force Final Report in any future amendments to the Appendix.

**FIFTH AMENDMENT TO THE TRIBAL-STATE COMPACT  
FOR CLASS III GAMING BETWEEN  
THE SUQUAMISH TRIBE AND THE STATE OF WASHINGTON**

**INTRODUCTION**

The SUQUAMISH TRIBE (hereafter “Tribe”) and the STATE OF WASHINGTON (hereafter “State”) entered into a Class III gaming compact (hereafter “Compact”) on January 26, 1995, pursuant to the Indian Gaming Regulatory Act of 1988 (hereafter “IGRA”). At the request of the Tribe, the Tribe and State entered negotiations for further amendments to the Compact. The parties have reached an agreement on Compact amendments as set forth in this document. The parties believe the conduct of Class III gaming under the terms and conditions set forth below will, from a regulatory perspective, benefit the Tribe and the State and protect members of the Tribe and citizens of the State consistent with the objectives of IGRA.

**COMPACT AMENDMENT**

**1. Compact Section II, as previously amended, is amended to read as follows:**

II. “Gaming Employee Registration” or “Registration” means the process conducted by the State Gaming Agency to determine, from the State’s perspective, if a person is of good character, honesty and integrity; his or her prior activities do not pose a threat to the public or to effective regulation of this Compact; and that he/she is likely to conduct Class III Gaming activities in accordance with this Compact.”

JJ. “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.

**2. Amend Sections IV.C as follows:**

C. Gaming Employees. The Tribal Gaming Agency shall license Gaming Employees and may either work with State Gaming Agency to certify those employees as outlined in C1. below; or work with State Gaming Agency to verify Registration as outlined in C2. below. The options outlined in sections C.1 and C.2 are mutually exclusive and cannot be utilized at the same time. Transfer between the options is allowed as described in Section V.1.

1. Gaming Employee Certification. Every Gaming Employee shall be licensed by the Tribal Gaming Agency and shall be certified by the State prior to commencement of employment, and annually thereafter. The Tribal Gaming Agency may immediately issue a license if the prospective employee has a current license or certification issued by the State Gaming Agency, the State Gaming Agency certifies that the prospective

employee is in good standing, and the employee consents to disclosure of records to the Tribal Gaming Agency.

2. Gaming Employee Registration. In lieu of the requirements imposed by Section IV.C.1, every Gaming Employee shall be licensed by the Tribal Gaming Agency prior to commencement of employment and as outlined in Tribal Gaming Code.

Every Gaming Employee shall be licensed by the Tribal Gaming Agency prior to the commencement of employment and at least every three (3) years thereafter. Every Gaming Employee must be registered with the State Gaming Agency and shall have their Gaming Employee Registration verified by the State Gaming Agency annually. The Tribal Gaming Agency shall provide a list of licensed and temporarily licensed Gaming Employees to the State Gaming Agency during the annual comparison review in the quarter of each calendar year as determined in the transition Memorandum of Understanding. The Tribal Gaming Agency shall include the licensee's complete name, aliases, date of birth, and identification number unique to the Gaming Employee's tribal license in its submission to the State Gaming Agency.

3. **Amend Compact Section V to add Section V.1 to establish procedures for transferring between certification and registration; renumber existing section V.A through V.O as Section V.2.A through O; and add a new Section V.3 for Registration.**

V.1. Transitioning from Certification to Gaming Employee Registration.

- A. If the Tribal Gaming Agency can demonstrate Tribal licensing expertise by meeting all of the criteria required in Section V.3 and the State Gaming Agency verifies the Tribal Gaming Agency has met the criteria, the Tribal Gaming Agency may choose to transition from Certification to the Registration provisions of this Compact.
  - a) The Tribe must operate under the Registration provisions, as provided in Section V.3, for at least two (2) years before returning to the Certification provisions, as provided in Section IV.C. If the Tribe chooses to return to the Certification provisions after at least two (2) years under the Registration provisions, they must operate under the Certification provisions for at least two (2) years before transferring back to Registration.
  - b) The Tribal Gaming Agency must demonstrate and verify that it meets all criteria in Section V.3, set out in the transition Memorandum of Agreement and every 3 years thereafter.
  - c) If the Tribe determines that the Tribal Gaming Agency no longer meets the requirements set forth in Section V.3, the Tribe will immediately notify the State Gaming Agency of their plan to transition

back to a Certification process and provide the State Gaming Agency 30 days' notice to update their processes and reprogram their systems.

- d) If the State Gaming Agency finds the Tribal Gaming Agency no longer meets the requirements in Section V.3, the State Gaming Agency will immediately notify the Tribe and request a meeting to discuss a transition plan back to a Certification process. Any dispute between the State Gaming Agency and the Tribe will be resolved in accordance with the dispute resolution provisions of the Section XII.
- B. Submitting Transition Plan to State Gaming Agency.
- a) The Tribe will submit the proposed transition date and licensing and Registration plan to the State Gaming Agency at least ninety (90) days prior to transitioning. The ninety (90) day period will provide the State Gaming Agency time to reprogram their systems, properly train staff in the new procedures, and allow time for the State Gaming Agency to verify the Tribal Gaming Agency meets the Registration criteria.
  - b) When transitioning to Registration, the Tribe must also provide documentation in their transition plan of how it meets the criteria in Section V.3.
  - c) When returning to a previous process, the Tribe will notify the State Gaming Agency of their plan to transition to a previous process and provide the State Gaming Agency 30 days' notice to update their processes and reprogram their systems.
- C. Transition MOU. A Memorandum of Understanding will be agreed upon by both the Tribe and State Gaming Agency that includes at a minimum, transition date; fees; the submittal process and information to be included for Registration verifications; annual review; that Registration information must be submitted online; and include the Tribal Gaming Agency's verification that it meets all criteria in Section V.3.

### V.3. Gaming Employee Registration

#### A. Criteria

Gaming Employee Registration requires the Tribal Gaming Agency 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:

The Tribe has operated Class III Gaming and the Tribal Gaming Agency has licensed Gaming Employees for at least 20 years; and

The Tribal Gaming Agency regulations are regularly reviewed and updated; and

The Tribal Gaming Agency director has demonstrated active involvement with licensing denial, suspension, and revocation in accordance with the Tribe's Gaming Code; and

The Tribal Gaming Commission has demonstrated a history of active involvement in the licensing process and license appeal hearings; and

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

Tribal Gaming Agency 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 and documented in the transition Memorandum of Understanding.

**B. Tribal Gaming Licenses.**

- a) The Tribal Gaming license is valid at the Tribe's Gaming Facilities only and is non-transferable.
- b) The Tribal Gaming Agency, pursuant to the laws 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.
- c) Tribal Gaming Employees shall be licensed by the Tribal Gaming Agency in accordance with the Gaming Code.
- d) If Class II and Class III Gaming activities are combined in a Gaming area in a Gaming Facility, the parties agree that this could impact the regulatory scheme established under this Compact. In such event, the Class II Gaming Employees in such area shall be registered with the State Gaming Agency as if they were Class III Gaming Employees.
- e) The Tribal Gaming Agency shall establish the fees for Tribal gaming licenses.
- f) In order to ensure a qualified work force is maintained throughout the State in all areas of Class III Gaming as well as in all other types of gambling authorized in the State, the Tribal Gaming Agency will forward to the State Gaming Agency a copy of the final disposition of any administrative action or

legal proceeding taken by the Tribal Gaming Agency against a Tribal Gaming licensee.

- C. Respective Roles for Background Investigations for Gaming Employee Licenses and State Registration -- Tribal Gaming Agency.
- a) The Tribal Gaming Agency will be responsible for the issuance of all Gaming Employee licenses.
  - b) The Tribal Gaming Agency shall be primarily responsible for conducting background investigations for all Applicants for Gaming Employee licenses. Each Applicant for a Gaming Employee license shall submit the completed application along with the required information and fees to the Tribal Gaming Agency. Each completed application shall include the Applicant's fingerprint card(s), current photograph, and any other information required by the Tribal Gaming Agency.
  - c) The Gaming Operation shall not hire, or continue to employ a Gaming Employee, and shall terminate any Gaming Employee, if the Tribal Gaming Agency determines that the Applicant or Employee:
    - 1. Has been convicted of any offense related to gambling, or any felony (excluding juvenile convictions) relating to fraud, misrepresentation, deception, theft, or physical harm to an individual within the past ten (10) years;
    - ii. Has provided materially false statements or information on his or her application or misstated or otherwise attempted to mislead the Tribe or the State with respect to any material fact contained in the application;
    - 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 create or enhance the dangers of unsuitable, unfair, or illegal practices, methods and activities in the conduct of Gaming or the carrying on of the Tribal and financial arrangements incidental thereto.
  - d) 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.
  - e) Nothing herein shall be interpreted to prevent the Tribal Gaming Agency 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.

- f) Additionally, the Tribal Gaming Agency shall not grant an application for a license unless it is satisfied that the Applicant's prior activities, criminal record (if any), reputation, habits, and associations do not pose a threat to the public interest of the Tribe or the State or the effective regulation and control of Gaming pursuant to this Compact, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, and activities in the conduct of Gaming or the carrying on of the Tribal and financial arrangements incidental thereto.
- g) When the Tribal Gaming Agency has completed its investigation of the Gaming Employee Applicant and has issued a temporary license, it will within five (5) business days:
  - i. Register on-line with the State Gaming Agency a new or renewing Gaming Employee or notify the State Gaming Agency of a Change of Name and pay the respective fees; or
  - ii. Mail a new or renewal Gaming Employee Registration or Change of Name application with respective fees;
  - iii. The Registration will include the Tribal Gaming Agency's investigative report; the Applicant's personal information; identification number unique to the Gaming Employee's tribal license; results of the investigation; a copy of a valid, federal, state, or tribal government-issued photo identification FBI fingerprint card; JIS results or its electronic equivalent, and the applicable fees to the State Gaming Agency.
- b) The Tribal Gaming Agency will use the State Gaming Agency's on-line process to notify the State Gaming Agency when a Gaming Employee is no longer licensed by the Tribal Gaming Agency.

D. Respective Roles for Background Investigations for Tribal Gaming Employee Licenses and State Registration -- State Gaming Agency.

- a) The State Gaming Agency will conduct a verification of Gaming Employee Registrations that are received either online or by paper application.
- b) The State Gaming Agency will complete the verification and notify the Tribal Gaming Agency if the results indicate the person may be unqualified pursuant to this section of this Compact. If the State Gaming Agency does not object, the Gaming Employee Registration will expire

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 Tribal Gaming Agency, whichever occurs earlier.

- c) The State Gaming Agency retains the right to conduct an additional verification of Gaming Employee Registration of any Gaming Employee at any time. There will be no additional cost to the Tribe.
- d) The State Gaming Agency's Gaming Employee Registration is valid at the Tribe's Gaming Facilities only and is non-transferable.
- e) For verification of Gaming Employee Registration, the State Gaming Agency may consider any prior criminal conduct or current probationary status of the Applicant or holder of certification and the provisions of RCW 9.95.240 and of Chapter 9.96A RCW shall not apply to such cases.
- f) The Gaming Employee Registration will also include information as authorized under RCW 9.46.210(4) and as defined in RCW 10.97.030.
- g) The State Gaming Agency may find a person to be unqualified under the provisions of RCW 9.46.075 and rules promulgated thereunder. The State Gaming Agency 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:
  - i. Who because of prior activities, criminal record, if any, or reputation, habits and 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 this 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 for Gaming Employee Registration;
  - iv. Has failed to reveal any fact which the person knows or should reasonably know is material to Gaming Employee Registration;
  - v. Has furnished any information which is untrue or misleading in connection with receiving Gaming Employee Registration;



- vi. Has had a Gaming license suspended for a year or longer, revoked or denied during the twelve (12) months prior to the date of Registration with the State Gaming Agency; 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
  - vii. 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.
- h) The State Gaming Agency will work with the Tribal Gaming Agency when determining a person may be unqualified for Gaming Employee Registration.
  - i) If a person may be unqualified for Gaming Employee Registration, the materials compiled by the State Gaming Agency will be available to the Tribal Gaming Agency at the State Gaming Agency office upon request, subject to any constraints imposed by the State Gaming Agency's accreditation as a law enforcement agency, requirements under RCW 10.97, and status as a member of law enforcement intelligence sharing organizations, such as the Law Enforcement Intelligence Unit (LEIU), Fusion Centers, INTERPOL, and similar organizations.
  - j) State Gaming Agency licensing personnel and Tribal Gaming Agency representatives will conduct an annual Gaming Employee comparison review in a specific quarter of each calendar year determined in the MOU. This review will ensure that State Gaming Agency and Tribal Gaming Agency Gaming Employee Records agree to one another. Any discrepancies found will be resolved by the Tribal Gaming Agency and notification provided to the State Gaming Agency. Unresolved discrepancies will be resolved in accordance with Section XIII of this Compact. The Tribal Gaming Agency and the State Gaming Agency will update their respective records as needed. The State Gaming Agency will conduct an annual comparison review in a specific quarter of each calendar year determined in the Memorandum of Understanding to include random sampling of Gaming Employee applications to demonstrate all the criteria for licensure and Gaming Employee Registration as set forth in this Compact have been met.
- E. Respective Roles for Background Investigations for Tribal Gaming Employee Licenses and State Registration -- Tribal Gaming Agency and State Gaming Agency.

- a) A licensed Gaming Employee seeking renewal of their Gaming Employee license or re-registering with the State Gaming Agency 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 Tribal Gaming Agency or State Gaming Agency. A Gaming Employee that has applied for renewal prior to expiration may continue to work under the expired Tribal license until the Tribal Gaming Agency or State Gaming Agency takes action on the renewal application.
- b) For persons found to be unqualified at any time they are registered by the State Gaming Agency, the Tribal Gaming Agency and State Gaming Agency will work together to determine if the person should work for the Tribe's Gaming Facilities in a position that requires a Gaming Employee License. If the Tribe can show extenuating circumstances why a person who does not meet all criteria should be further considered, the Tribal Gaming Agency 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 Facilities or meet the criteria under V.3.C(c).
- c) If, after working with the Tribal Gaming Agency, the State Gaming Agency still finds the person unqualified, the State Gaming Agency will provide written notice to the Tribe itemizing the objections. The Tribe, however, will make the final decision whether to issue a license or continue employment of the person. The State Gaming Agency's Gaming Employee Registration of the person will be limited to the Tribe only and the Tribe will continue to register the person with the State Gaming Agency as long as the person is employed by the Tribe in a Class III Gaming position.

F. Fees for State Gaming Employee Registration.

- a) Initial and renewal fees for the three-year Gaming Employee Registration will be documented in a Memorandum of Understanding.
- b) Registration and renewal fees may be adjusted by mutual agreement three years from the adoption of this amended Compact, or at any time thereafter.
- c) The Tribal Gaming Agency will reimburse the State Gaming Agency for the costs to transition to Registration.
- d) The Tribe will reimburse the State Gaming Agency for the time it takes for the comparison review within 60 days of receiving a bill.

**4. Add Compact Section XV.D.9 to read as follows:**

9. If the Washington State Lottery approves a purchase price per ticket greater than that provided under this Compact, the Gaming Operation may increase its maximum wagers and purchase price for scratch tickets or On-Line Lottery Wagers to match the Washington State Lottery increase, provided that the State and Tribe agree to incorporate into the Compact only the specific provisions and restrictions related to the purchase price, and such agreement will be documented in a memorandum of incorporation.

**5. Amend Appendix X2, Section 13.4, to add 13.4.6:**


- 13.4.6 Alternative Fee Method - Pilot. If the State Gaming Agency and the Tribe desire to define and pilot an alternative method to determining State Gaming Agency Regulatory Fees, the Parties may agree, whether on a trial or permanent basis, to such method as memorialized in a Memorandum of Understanding.

**6. Add Appendix E - Limitations On Wagers, Credit, Facilities; Problem Gaming Resources And Contributions; Moratorium, in the form attached to this Amendment, in its entirety.**

IN WITNESS WHEREOF, the Suquamish Tribe and the State of Washington have executed this Fifth Amendment to the Compact.

SUQUAMISH TRIBE

BY:   
LEONARD FORSMAN  
Chairman

STATE OF WASHINGTON  
BY:   
JAY INSLEE  
Governor

DATED: 6-19-2021

\_\_\_\_\_

**SUQUAMISH TRIBE  
and the  
STATE OF WASHINGTON  
CLASS III GAMING COMPACT**

**APPENDIX E  
LIMITATIONS ON WAGERS, CREDIT, FACILITIES;  
PROBLEM GAMING RESOURCES AND CONTRIBUTIONS; MORATORIUM**

Table of Contents

1..	Introduction.....	1
2..	High Limit Room.....	1
3..	High Limit Pits.....	1
4..	Extension of Credit .....	2
5..	Wagering Limits – Player Terminals.....	3
6..	Facility Limits – Gaming Stations and Player Terminals.....	3
7..	Contributions.....	4
8..	Responsible Gambling .....	6
9..	Moratorium .....	7

1. Introduction

This Appendix contains the concessions, limitations, and agreement of the Tribe and State with respect to the subject matter addressed herein. Where any provisions of this Appendix are inconsistent with another provision of the Compact and Appendices, the provisions of this Appendix shall govern unless and until they are subsequently amended pursuant to the processes set forth in the Compact.

All terms not defined herein shall have the same definitions as in the Tribe's Compact and its amendments and appendices.

2. High Limit Room

- 2.1 "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.
- 2.2 The Gaming Operation may offer Gaming Station wager limits in the High Limit Room up to five thousand dollars (\$5000).
- 2.3 Access to the Gaming Stations in the High Limit Room will be subject to pre-screening qualifications and screening process set forth in a Memorandum of Understanding agreed upon by the State Gaming Agency and the Tribe, as may be amended from time to time.
- 2.4 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 or currently barred for self-exclusion, or known by the Gaming Operation as demonstrating significant characteristics associated with problem gambling.
- 2.5 The Gaming Operation must follow the requirements of Title 31 U.S.C.

3. High Limit Pits

- 3.1 "High Limit Pit" means a designated Pit in the Gaming Facility with Gaming Station wager limits higher than five hundred dollars (\$500), subject to the requirements and limitations of this Appendix.
- 3.2 The Gaming Operation will demarcate the High Limit Pit areas by including visible signage to indicate that patrons are entering a high wager area, and with visible signage on each table to indicate the minimum and maximum wagers for tables in that pit.
- 3.3 The Gaming Operation may offer Gaming Station wager limits not to exceed one thousand dollars (\$1,000) in the Gaming Facility's High Limit Pits.

- 3.4 No customers may participate in Gaming in a High Limit Pit if they are identified by Gaming Operation personnel to have a history of problem gambling, or currently barred for self-exclusion, or identified by Gaming Operation personnel as demonstrating significant characteristics associated with problem gambling.
- 3.5 The Gaming Operation must follow the requirements of Title 31 U.S.C.

4. Extension of Credit

- 4.1 Notwithstanding Section III.G of the Compact, the Gaming Operation may extend credit to patrons who seek an extension of credit and who meet the criteria set forth in credit procedures developed by the Gaming Operation. At a minimum, the credit procedures criteria must specify:
  - 4.1.1 All patrons requesting credit are required to submit a complete tribal credit application and be provided problem gambling information;
  - 4.1.2 The minimum and maximum amount any patron can request;
  - 4.1.3 The process for review and verification of the credit application, which review process shall include, at a minimum, proof of identity, obtaining a credit report, 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 bank verification of accounts;
  - 4.1.4 When a patron's credit application will be reviewed after initial application and preapproval;
  - 4.1.5 Patrons will not be extended credit if known to the Gaming Operation to have a history of problem gambling, if actively barred for self-exclusion, or if the Gaming Operation's review of a credit report indicates the patron is proposing to make wagers beyond his or her means;
  - 4.1.6 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;
  - 4.1.7 Information about patrons requesting credit are not shared or used for marketing or promotional purposes with entities outside the Gaming Operation;
  - 4.1.8 How the preapproval amount is determined to be consistent with their credit report the preapproval amount is documented, and the patron is notified;
  - 4.1.9 The preapproval is granted by an employee that is independent of the patron; and

4.1.10 The repayment and debt collection requirements and notification includes:

- (a) Repayment timeframes not to exceed ninety (90) days from the day of extension of credit.
- (b) Any late payment fees, penalties, interest charges, or similar fees or charges, settlement process and reports, and prohibition of further credit extension with an unpaid balance.
- (c) Following applicable federal debt collection laws.

4.2 The Tribal Gaming Agency shall forward to the State Gaming Agency a copy of approved credit procedures, and any changes to the credit procedures for review and concurrence prior to implementation per Section XI.A of the Compact.

5. Wagering Limits – Player Terminals.

5.1 Section 3.2.1(b) of Appendix X2 is amended as to read as follows:

(b) All Scratch Tickets in a particular Game Set shall be of the same purchase price, ~~which shall not exceed \$5.00, with the exception that up to 15 percent of the Player Terminals in operation may have purchase prices of up to \$20.00 per Ticket.~~ The purchase price for a single ticket may not exceed \$30.00, provided that tickets with a purchase price over \$20.00 must have a minimum wager of no less than \$5.00 and the minimum and maximum wagers must be visibly displayed on such machines. A single Ticket may offer an opportunity to enter another Game Set;

5.2 Section 4.1.4 of Appendix X2 is amended as to read as follows:

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, but each wager may not exceed ~~\$20.00~~ \$30.00. Wagers are deducted from the Game Play Credits displayed on the Player Terminal.

5.3 Section 7.1.10(b) of Appendix X2 “The percentage of Player Terminals offering wagers between \$5.01 and \$20.” is stricken.

6. Facility Limits – Gaming Stations and Player Terminals.

6.1 Section III.I of the Compact is replaced in its entirety as follows:

I. Number of Gaming Stations. The maximum number of Class III Gaming Stations within the Gaming Facilities combined shall not exceed a total of one hundred twenty-five (125) Gaming Stations.

(1) At the option of the Tribe, one (1) additional Gaming Station (“the nonprofit station”) for every twenty-five (25) Gaming Stations in

operation may be allowed in a Gaming Facility. The proceeds from all nonprofit stations shall be dedicated to support nonprofit and charitable organizations and their activities located within Kitsap County or the State of Washington. For purposes of determining “proceeds” from a nonprofit station only, proceeds shall mean the pro rata net profit of the nonprofit station. The Gaming Code shall require regulations to be adopted concerning the types of bona fide nonprofit and charitable organizations or types of projects of such organizations that shall be supported by a nonprofit station.

- (2) The Tribe is required to obtain transfers of a Class III Gaming Station authorization from another tribe which has entered into a compact with the State for the use of Class III Gaming Stations, as defined in this Compact for any Class III Gaming Stations, except for nonprofit stations, beyond sixty (60) in total for all gaming facilities. The transfer of Class III Gaming Station authorization from another tribe shall be effectuated through the use of a “Class III Gaming Station Transfer Agreement” substantially in the form appended hereto as Appendix D of this Compact.
- (3) The exact mix of high wager Gaming Stations in the Gaming Operation shall be left to the Tribe’s discretion; however, no more than 25% of the Gaming Stations in operation in a Gaming Facility may offer wagers between \$500 and \$1,000.00 in the High Limit Pit(s), and the total number of Gaming Stations within the High Limit Room and in the High Limit Pit(s) combined will not exceed thirty-one (31) Gaming Stations.

6.2 Section 12.2.1 of Appendix X2 is amended to read as follows:

Subject to Section 12.4 below, the Tribe may operate no more than ~~2,500~~ 3,000 Player Terminals per facility (“Facility Limit”), and no more than a combined Player Terminal total (“Total Operating Ceiling”) of 3,000 Player Terminals in its Gaming Facilities. It is also agreed that upon the effective date of this Appendix, the Total Operating Ceiling for the Muckleshoot Tribe, Tulalip Tribes, and Puyallup Tribe shall be 3,500 for each of those three tribes until the third anniversary of the effective date of this Appendix, at which time it shall increase to 4,000 for each of those same three tribes. It is further agreed that the Tribe shall not be entitled as a matter of right to an increase in its Total Operating Ceiling based on the fact that the Muckleshoot Tribe, the Tulalip Tribes, and the Puyallup Tribe are entitled under this Appendix to operate up to the separate, higher Total Operating Ceiling(s) established specifically for them in this Appendix.

## 7. Contributions.

In order to provide for impacts to local community services that may arise as a result of the Gaming authorized under the Compact and this Appendix E, the Tribe agrees to begin



accruing funds at the new rates upon the effective date of this Appendix and make payments as specified below.

7.1 Section 14.6.1 of Appendix X2, is amended to read as follows:

Except in Sections 14.2 and 14.4, as used in Section 14, the term “net win” shall mean the total amount of Tribal Lottery System revenue after prizes or winnings have been paid out (i.e., the difference between the amount wagered or played and the amounts paid to winners) as reported as gaming revenue on the annual audited financial statements in accordance with Generally Accepted Accounting Principles (GAAP) less any cost of developing, licensing, or otherwise obtaining the use of the Tribal Lottery System. In Sections 14.2 and 14.4, the term “net win” shall mean the total amount of gaming revenue from Class III Gaming Stations and Tribal Lottery Systems after prizes or winnings have been paid out (i.e., the difference between the amount wagered or played and the amounts paid to winners) as reported as gaming revenue on the annual audited financial statements in accordance with Generally Accepted Accounting Principles (GAAP) less any cost of developing, licensing, or otherwise obtaining the use of the Class III games;

7.2 Section 14.4 of Appendix X2, as previously amended, is amended to read as follows:

Problem Gambling. Thirteen one-hundredths of one percent (0.13%) Two tenths of one percent (0.2%) of the net win derived from all Class III gaming activities, determined on an annual basis, shall be dedicated to problem gambling education, awareness, and treatment for all citizens in the State of Washington. Contributions shall be made to governmental or charitable and/or non-profit organizations, which may include the Department of Social and Health Services’ Division of Alcohol and Substance Abuse (DSHS/DASA) Health Care Authority’s Division of Behavioral Health and Recovery or successor agency, with expertise in providing counseling, intervention, treatment, research, or other services for problem gambling. The 0.13 0.2 percent of net win shall be paid annually, commencing with the conclusion of the Tribe’s first full fiscal year following the date upon which this Appendix becomes effective, and shall be paid annually within one year of the close of the Tribe’s fiscal year. Once the Tribe conveys any funds under this paragraph to recipient, the Tribe’s obligations regarding such funds shall be considered fully discharged, and the Tribe shall not bear any further obligations for the appropriate disbursement or use of those funds by the recipient, unless the recipient is a program of the Tribe.

7.3 Section 14.2 of Appendix X2 is amended to read as follows:

Charitable Donations. One-half of one percent (0.5%) of the Net Win derived from Tribal Lottery System all Gaming Stations and Tribal Lottery Systems activities, determined on an annual basis using the Tribe’s fiscal year, shall be

donated to non-tribal bona fide non-profit and charitable organization registered with the Secretary of State to provide services in of the State of Washington.

7.4 Compact Section XIV.C.1 is amended to read as follows:

1. The Tribe recognizes that activities directly and indirectly associated with the operation of the Gaming Facility on Suquamish Indian Lands may affect surrounding local law enforcement agencies, emergency services and other agencies. The Tribe hereby agrees to establish a fund for purposes of providing assistance to local agencies affected by the Class III Gaming Operation based on documented costs. The Tribe shall withhold and disburse a maximum of 1.75% ~~2.0%~~ of the Net Win from the Class III Gaming Operation excluding satellite wagering activities, for this fund (“Impact Mitigation Funds”). No funds shall be disbursed from the Impact Mitigation Fund until Memoranda of Understanding (“MOU”) are adopted, as provided in Section XIV.C.2 of this Compact, stipulating appropriate relationships between the Tribe and agencies receiving funds. A committee (majority rule) consisting of three representatives of the Suquamish Tribal Council; the Suquamish Tribal Police Chief; the Kitsap County Sheriff; an elected representative from the City of Bainbridge Island; an elected representative from the City of Poulsbo; a representative of the State Gaming Agency; and a member at large to be chosen by the committee, shall be established. The makeup of this committee may be altered by mutual agreement of the Tribal and State Gaming Agencies, if necessary. The committee shall initially establish set factors to be used to determine negative impacts, if any, to Kitsap County and the neighboring cities of Poulsbo and Bainbridge Island. The committee shall meet at least annually to discuss the following: 1) impacts within the county, neighboring cities, and on the Reservation; 2) services provided by Tribal and other agencies; and 3) the distribution of the Impact Mitigation Fund. No Class II gaming revenues, satellite wagering revenues, or non-gaming revenues such as, but not limited to food, beverage, wholesale or retail sales, shall be included within the 1.75% ~~2.0%~~ budgeted or disbursed as set forth in this Section XIV.C.

7.5 Compact Appendix X2, Section 14.1 is amended to read as follows:

14.1 Impact Costs. Up to ~~one half six tenths~~ of one percent (~~.5%~~) (0.60%) of the net win derived from Tribal Lottery System activities, determined on an annual basis using the Tribe’s fiscal year, shall be added to any amounts payable and distributable from other Class III activities under the Compact in order to meet community impacts, to the extent such Compact amounts are insufficient to meet actual and demonstrated impact costs.

8. Responsible Gambling

The Tribe and State Gaming Agency recognize the importance of responsible gambling as part of the shared responsibility to protect the health, welfare, and safety of the citizens of the Tribe and of the State. As part of that responsibility, the Tribe agrees to:

- 8.1 Provide complimentary, on-site space for responsible gambling resources and information;
- 8.2 Within five (5) years, or as soon as feasible thereafter, investigate and, at the Tribe's discretion, either develop a new or implement an existing interactive responsible gambling application or program for players; and

9. Moratorium

The Tribe agrees to seek no additional amendments to this Appendix with respect to the subject matter of increased wagers and per facility limits prior to May 1, 2022, or 6 months after the Problem Gambling Legislative Task Force Final Report is finalized, whichever is later, ("Moratorium") except in the following circumstances, which circumstances may also constitute a basis for the Tribe to seek such an amendment after the expiration of the Moratorium:

- 9.1 Federal or State law, whether by statute, rule, regulation or other action that impacts Washington State or the Tribe, is amended to increase any limitations above those included in this Appendix;
- 9.2 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 unappealable decision permitting increased limitations above those included in this Appendix;  
or
- 9.3 Any other tribe located in the State of Washington, through a Compact amendment approved (or deemed approved) by the Secretary of the Interior, obtains materially different concessions, limitations, and agreements than those outlined in this Appendix. The State and Tribe agree to incorporate into this Compact all provisions of the other tribe's amendment and such agreement will be documented in a Memorandum of Incorporation.