

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

INTRODUCTION

The KALISPEL TRIBE OF INDIANS (hereafter “Tribe”) and the STATE OF WASHINGTON (hereafter “State”) entered into a Class III gaming compact (hereafter “Compact”) on October 10, 1998, pursuant to the Indian Gaming Regulatory Act of 1988 (hereafter “IGRA”). At the request of the Tribe, the Tribe and State entered into 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 III.P is amended to read as follows:

P. “Gaming Station” means a gaming table of the same general size and as is commonly used in Nevada for similar games or Electronic Table Games, subject to Appendix G.

2. Compact, Appendix A, Section I, Pit definition is amended to read as follows:

“Pit” means the area enclosed or encircled by an arrangement of gaming stations, other than Electronic Table Games, in which gaming facility personnel administer and supervise the games played at the tables by the patrons located on the outside perimeter of the area;

3. The Compact is hereby amended to add Appendix E—Limitations on Wagers, Credit, Facilities; Increasing Problem Gaming Resources and Contributions in the form attached hereto, in its entirety.

4. Add Appendix G Electronic Table Games.

(1) Compact Section III.A, as previously amended, is amended to add:

32. Electronic Table Games, subject to Appendix G.

(2) **The Compact is hereby amended to add Appendix G—Electronic Table Games in the form attached hereto, in its entirety.**

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

KALISPEL TRIBE OF INDIANS

STATE OF WASHINGTON

BY: _____

GLEN NENEMA
Chairman

DATED: _____

BY: _____

JAY INSLEE
Governor

DATED: _____

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APPENDIX E

**KALISPEL TRIBE OF INDIANS - STATE OF WASHINGTON
CLASS III GAMING COMPACT**

**LIMITATIONS ON WAGERS, CREDIT, FACILITIES;
INCREASING PROBLEM GAMING RESOURCES AND CONTRIBUTIONS**

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1. Introduction

This Appendix contains the concessions, limitations, and agreement of the Tribe and State with respect to the subject matter addressed herein. However, 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.

The Tribe and State agree that, although the Compact and its appendices become effective upon publication of notice of approval by the Secretary of the Interior of the United States in the Federal Register in accordance with 25 U.S.C. § 2710(d)(3)(B), the implementation of Appendix E shall be delayed until any of the provisions herein are implemented by the Tribe. However, if certain provisions in this Appendix have been implemented through another appendix, the delayed implementation shall not apply to those provisions. The Tribe shall provide notice to the State if, as and when implementation of Appendix E commences.

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 wager limits in the High Limit Room up to one thousand dollars (\$1000) and may offer wager limits at "Restricted Access Tables" in the High Limit Room not to exceed five thousand dollars (\$5,000).

Restricted Access Tables shall be limited to customers pre-screened by the Gaming Operation. The pre-screening qualifications and screening process, and how often the Gaming Operation will review qualifications after the initial pre-screen, will be set forth in the Restricted Access screening Internal Controls adopted by the Gaming Operation. The Tribal Gaming Agency shall forward to the State Gaming Agency a copy of approved Restricted Access screening Internal Controls, and any changes, for review and concurrence prior to implementation per Section XI of the Compact and shall include at a minimum:

2.2.1. Any patron pre-screening requirements.

- 2.2.2. How player tracking will be utilized in the pre-screening process.
 - 2.2.3. Term and renewal guidelines for Restricted Access approvals.
 - 2.2.4. Restricted Access approvals addressing separation of duties and anti-kickback standards.
 - 2.2.5. A list of approved patrons accessible to supervisors and how often updated.
 - 2.2.6. Acceptable forms of identification for verifying a patron's identity.
 - 2.2.7. Confirmation the patron is not barred from the Gaming Operation.
 - 2.2.8. Audit process of a patron's pre-screening approval to determine if patron's circumstances change and removal of approval.
 - 2.2.9. Standards addressing secure information storage and how any personal information (PII or financial) of the patron is kept confidential.
 - 2.2.10. Provide an audit process to ensure compliance with Internal Controls.
 - 2.3. 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, barred for self-exclusion, or self identifies as needing assistance with problem gambling.
 - 2.4. 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 separated by a movable or non-movable barrier, such as stanchions or partial wall, and is prominently labeled with signage designating the area as a High Limit Pit with wager limits higher than those provided in Section III(I) of the Compact, subject to the requirements and limitations of this Appendix.
 - 3.2. 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.
 - 3.3. No customers may participate in Gaming in a High Limit Pit if they are known to the Gaming Operation to have a history of problem gambling, barred for self-exclusion, or self identifies as needing assistance with problem gambling.
 - 3.4. The Gaming Operation must follow the requirements of Title 31 U.S.C.
4. Extension of Credit

- 4.1. Notwithstanding Section III(F) of the Compact, the Gaming Operation may extend credit to qualified patrons who meet the criteria set forth in credit procedures developed by the Gaming Operation. At a minimum, the 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. The 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:

4.1.10.1. Repayment timeframes not to exceed ninety (90) days from the day of extension of credit.

4.1.10.2. 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.

4.1.10.3. 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 those procedures for review and concurrence prior to implementation per Section XI of the Compact.

5. Wagering Limits – Player Terminals.

5.1. Section 3.2.1(b) of Appendix X2 is replaced in its entirety to read as follows:

All Scratch Tickets in a particular Game Set shall be of the same purchase price. The purchase price for a single ticket may not exceed \$30, except this maximum wager amount shall increase to the current highest amount offered by the Washington State Lottery if such amount is above \$30 with notice to the State and pursuant to Section XV.D. 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 replaced in its entirety to read as follows:

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 \$30 or the current highest amount offered by the Washington State Lottery if higher than \$30. 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. If this Appendix is implemented, Gaming Station limits are as follows:

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. The Tribe, in its sole discretion, shall determine the allocation of the 125 Gaming Stations between the Gaming Facilities.

- (1) The Tribe has the option to operate one (1) additional Gaming Station (“the nonprofit station”) for every twenty-five (25) Gaming Stations 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 Spokane County, Pend Oreille County, or the State of Washington. For purposes of determining “proceeds” from a nonprofit station only, proceeds shall mean the pro rata Net Win 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 C of this Compact.
- (3) No more than 25% of the Gaming Stations on the gaming floor within a Gaming Facility may be operated with wager limits greater than \$500 in the High Limit Room and High Limit Pit areas combined.

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 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 as authorized in the Compact. 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.

Provided, If the Tribe has operated at its Operating Ceiling for six (6) continuous months, 500 Player Terminals will be added to their Operating Ceiling making it 3,500. When the Tribe has operated at its new Operating Ceiling for six (6) continuous months, a final 500 Player Terminals will be added to their Operating Ceiling making it 4,000.

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 and make payments as specified below if, as, and when this Appendix is implemented as provided in Section 1 above.

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 Class III gaming revenue as specified in Sections 14.2 and 14.4 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:

14.4 Problem Gambling. Upon the implementation date as provided in Section 1 of this Appendix, 0.2% Thirteen one hundredths of one percent (0.13%) of the net win derived from all Class III gaming activities, determined on an annual basis, shall be dedicated to behavioral health programs that include or integrate problem gambling education, awareness, prevention,

and treatment for Tribal citizens and citizens of the State of Washington. On July 1, 2024, and for subsequent years, the contribution amount shall be 0.26% of the net win derived from all Class III gaming activities. Contributions shall be made to Kalispel governmental programs, and/or other governmental, charitable and/or non-profit organizations, which may include the Camas Path Behavioral Health, or the State Health Care Authority's Division of Behavioral Health and Recovery, or a successor agency with expertise in providing awareness, prevention, education, outreach, treatment, and recovery support services for problem gambling ~~Department of Social and Health Services' Division of Alcohol and Substance Abuse (DSHS/DASA), that are directly related to helping to reduce problem gambling. The 0.13 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.~~

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 all Gaming Stations and Tribal Lottery System activities, determined on an annual basis using the Tribe's fiscal year, shall be donated to ~~non-tribal~~ bona fide non-profit and charitable organizations registered with the Secretary of State to provide services in ~~of~~ the State of Washington and shall not include Kalispel Tribal organizations.

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

C. Impact Mitigation Fund.

1. The Tribe recognizes that activities directly and indirectly associated with the operation of the Gaming Facility on the Kalispel Indian Reservation may impact local law enforcement agencies, emergency services, and other services and place an increased burden on them. The Tribe hereby agrees to establish a fund for purposes of providing assistance to law enforcement, emergency services, and/or service agencies (including those agencies responsible for traffic and transportation) impacted by the Class III Gaming Facility and showing demonstrated impacts by the Class III Gaming Facility, for example providing fire services on the Tribe's land. The Tribe agrees to withhold and disburse 2.0% up to one and three quarters of one percent

(1.75%) of the Net Win from the Class III Gaming Operation Gaming Stations, except as otherwise excluded under the provisions of this Compact, for this fund (Impact Mitigation Fund). A committee consisting of two representatives of the Kalispel Tribe of Indians; an elected representative from the City of Airway Heights; a member of the Spokane County Commission; and a representative of the State Gaming Agency; shall be established. The composition of this committee may be altered by mutual agreement of the Tribe and State Gaming Agency, if necessary. The Tribe, acting through the Kalispel Business Committee, shall consider all requests by local jurisdictions for funding from the Impact Mitigation Fund, and shall determine whether to fund such requests and at what level. Such requests shall be supported by appropriate technical reports and material related to the funding request. The Tribe may also distribute the Impact Mitigation Fund to reimburse for services provided through fee for service contracts for covered services. Approved funding requests shall be disbursed on an annual basis. The committee-Kalispel Business Committee shall determine initially meet within 120 days of the Gaming Facility opening to develop and execute a Memorandum of Understanding containing committee rules of order, Impact Mitigation Fund distribution procedures, and establish set factors to be used to determine negative impacts demonstrated impacts. The committee shall meet at least once every twelve (12) months to discuss the following: 1) positive and negative impacts within the county, neighboring cities, and on the Kalispel Indian Reservation; 2) services provided by the Tribal and other agencies; and 3) the distribution of the Impact Mitigation Fund. If the committee-Kalispel Business Committee determines that the impact mitigation fund exceeds demonstrated impacts distribution does not meet or exceed the 2% withholding, the remaining funds shall be distributed by the Committee as follows: 50% to the Kalispel Tribe of Indians Police Department, other community needs or any combination thereof, and 50% to be applied towards and the Tribe's portion of the State's regulatory costs and expenses, as set forth in Section XIII, to the Tribal Gaming Agency, or any combination thereof. No Class II gaming revenues, satellite wagering revenues, "non-profit gaming table" revenues, or non-gaming revenues, such as, but not limited to, food beverage, wholesale or retail sales, shall be included with the 2.0%

~~budgeted and disbursed as set forth in this Section~~ as part of the Impact Mitigation Fund.

2. The recipients of the Impact Mitigation Fund shall be paid within thirty (30) days following the meeting of the ~~committee~~ Kalispel Business Committee.

6. Related solely to the Tribe's Gaming Facility Located in Pend Oreille County, the Tribe shall make available funds for the purpose of providing assistance to adjacent local communities' law enforcement, emergency services, and/or service agencies (including those agencies responsible for traffic and transportation) actually and directly impacted by the Class III Gaming Facility in Pend Oreille County and shall disburse to those agencies their reasonable costs related to Class III gaming activities, not to exceed cumulatively, one and three quarters of one percent (1.75%) ~~two percent (2%)~~ of the Net Win from the Class III Gaming Stations, in any Tribal fiscal year, except as otherwise excluded under the provisions of the Compact.

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

Impact Costs. Up to ~~one half of one percent (0.5%)~~ six tenths of one percent (0.6%) 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. Problem, Pathological, and Responsible Gambling Programs.

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. 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 prevention, and unattended children;

- 8.2. Policy. 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. Self-exclusion. to cover such topics as the receipt of marketing materials and access into the facility. Notwithstanding the foregoing, the Tribe has a policy that any individual self-barring shall not be readmitted to the Gaming Floor at any time; and
- 8.4. Within 5 years, or as soon as feasible thereafter based on reliable technological availability, include in the Tribe's education and awareness program an interactive responsible gambling application or program for players; such gambling application or program may be separate and need not be integrated into the authorized Class III Gaming Activities and other Gaming Activities.

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**KALISPEL TRIBE OF INDIANS
and the
STATE OF WASHINGTON
CLASS III GAMING COMPACT**

**APPENDIX G
ELECTRONIC TABLE GAMES**

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SECTION 1. CONDITIONS AND LIMITATIONS

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

The Tribe and State agree that, although the Compact and its appendices become effective upon publication of notice of approval by the Secretary of the Interior of the United States in the Federal Register in accordance with 25 U.S.C. § 2710(d)(3)(B), the implementation of this Appendix shall be delayed until any of the provisions herein are implemented by the Tribe (“Implementation Date”). However, if certain provisions in this Appendix have been implemented through another appendix, the delayed implementation shall not apply to those provisions. The Tribe shall provide at least ten (10) days advance notice to the State prior to implementation of this Appendix.

Any provisions of the Compact and Appendices that do not conflict with these standards shall apply to Electronic Table Games. To the extent they do not conflict, existing Internal Controls, game rules, and similar documents in effect as of the date of the publication of the Fifth Amendment remain in full force and effect unless and until they are subsequently modified pursuant to the process set forth in the Compact.

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 Compact.

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

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

“Electronic Table Game” or “ETG” means an electronic version of a Class III table game.

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

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

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

SECTION 3. AUTHORIZATION

- 3.1 The ETG System must be honest, fair, secure, reliable, auditable, and compliant with the Compact and the standards contained in this Appendix and any related MOU.
- 3.2 System Conditions. An ETG System is authorized when the ETG System does not allow a patron to play a device prohibited by RCW 9.46.0233(1)(b) and RCW 67.70.040(1)(a) (“Play Against the Machine”). An ETG System does not allow Play Against the Machine when:
 - 3.2.1 there is a human dealer involved in the play of the ETG (“Dealer Controlled”); or
 - 3.2.2 the play of the ETG does not involve a human dealer, and the ETG System is configured for play between two or more patrons against the same roll of dice or spin of the wheel, or a Communal Shoe of electronic cards (“Non-Dealer Controlled”); however, only one patron is needed to initiate game play; or
 - 3.2.3 it is a hybrid of Dealer Controlled and Non-Dealer Controlled, provided that any ETG played as Dealer Controlled follows applicable Dealer-Controlled standards set forth in this Appendix and any ETG offered as Non-Dealer Controlled follows applicable Non-Dealer Controlled standards set forth in this Appendix.
- 3.3 Specific Games
 - 3.3.1 The Tribe may offer for play an ETG version of any Class III table game approved in Compact Section III.A. Pay table or odds offered on an ETG shall be consistent with game rules as approved in Section XI.B.4. ETG game rules must be displayed on each ETG Terminal.
 - 3.3.2 An ETG Terminal may allow for play any other Class III activity as authorized under the Compact and Appendices, other than the Tribal Lottery System or any Gaming activity with a limited allocation.
 - 3.3.3 Concurrent play. Patrons may play more than one ETG concurrently using a single ETG Terminal under the following requirements:

- a. An ETG Terminal must display clear information about each ETG available for play and such information must be available to a patron without the patron first placing a wager.
- b. An ETG Terminal must display each ETG selected for play by the patron.
- c. An ETG Terminal must display the decisions and outcomes of play for each ETG selected by the patron.
- d. An ETG may not be added to or removed from an ETG Terminal in use by a patron.

3.4 Wager Limits. Wager limits for ETGs shall not exceed \$500.

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

SECTION 4. NUMBER OF GAMING STATIONS

Every nine (9) ETG Terminals shall constitute one Gaming Station. If the number of ETG Terminals put into play is not perfectly divisible by nine (9), then any remainder less than nine (9) will constitute a Gaming Station. For example, if ten (10) ETG Terminals are in operation, it will constitute two (2) Gaming Stations.

SECTION 5. OPERATION AND REPORTING REQUIREMENTS

5.1. Standards for Operation.

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

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

- 5.1.3 The Tribal Gaming Agency and the State Gaming Agency may mutually agree in writing to alternative standards for any ETG System authorized in Section 3 in lieu of the GLI standards described in Sections 5.1.1 and 5.1.2 above that maintain the integrity and security of the ETG System.
- 5.2. Internal controls. Prior to offering ETGs for play, the Tribe must implement Internal Controls as minimum operating standards to govern the operation and management of the ETG System.
- 5.2.1 Initial Internal Controls. The Tribal Gaming Agency shall forward to the State Gaming Agency its initial Internal Controls for ETG Systems for review and concurrence. The Tribal Gaming Agency shall detail how the Internal Controls meet or exceed the requirements described in this Appendix or any related MOU. 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 ETG System(s) and shall detail the reasons for disapproval. If a dispute regarding this process cannot be resolved by the Tribal Gaming Agency and State Gaming Agency within thirty (30) days, the Parties may seek dispute resolution pursuant to the Compact.
- 5.2.2 Minimum Requirements. The Internal Controls will address the following, at a minimum:
- a. Description of Gaming Employees who perform essential functions, supervisory authority, handling payouts on winning vouchers.
 - b. User access controls for ETG personnel;
 - c. Segregation of duties;
 - d. Procedures for receiving, investigation and responding to patron complaints;
 - e. Accounting and audit procedures;
 - f. Procedures to ensure the physical security of the ETG Systems, including key controls and Closed Surveillance System coverage;
 - g. Procedures to ensure the integrity and security of all sensitive data and software;
 - h. Procedures to ensure that access to sensitive data and software is limited to appropriate personnel;

- i. Procedures to ensure accurate accounting of wagers and payouts;
 - j. Procedures to ensure the logging of the events and the availability of records to permit an effective audit of the conduct of the ETG System and the reporting of revenue;
 - k. All existing Internal Controls are updated, as necessary, to ensure there are no conflicts with any Internal Controls governing ETG Systems; and
 - l. Any other internal controls deemed necessary by the State Gaming Agency and Tribal Gaming Agency.
- 5.3. Required Reports. Reports necessary to record information as deemed necessary by the Tribal Gaming Agency or as required by Internal Controls must be generated. These reports may include, but are not limited to, all applicable reports as outlined in Section 2.21 of GLI-24.
- 5.4. Training. A manufacturer's prototype (e.g., test cart) of the version of the ETG System that will be installed at the Gaming Facility will be delivered to the State Gaming Agency for training purposes prior to field testing. The State Gaming Agency will collaborate with the Tribal Gaming Agency to provide additional training opportunities related to ETG Systems. The Tribal Gaming Agency and the State Gaming Agency may mutually agree to an alternative to a prototype.

SECTION 6. APPROVAL OF ELECTRONIC TABLE GAME SYSTEMS

- 6.1. Purpose. The general purpose of testing an ETG System pursuant to this Section 6 is to determine the compliance of the ETG System with this Appendix and any applicable MOU(s).
- 6.2. Independent Test Laboratory (ITL) Testing for ETG System, Upgrades, and New Equipment; Modifications.
- 6.2.1 ITL Requirement. Each new or upgraded ETG System may be offered for play only if it has been tested and certified as meeting the applicable standards of this Appendix and any related MOU by an ITL selected by the Tribe from SGA's approved ITL list.
 - 6.2.2 ITL Reports and Certification. At the conclusion of testing, the ITL shall provide to the Tribal Gaming Agency and the State Gaming Agency its certification and supporting documentation. If the ITL provides sufficient documentation that the ETG System or relevant Component has been tested and certified by that ITL in any other jurisdiction and it meets the requirements of this Appendix, without any subsequent modifications, that shall be sufficient to satisfy this requirement.
 - 6.2.3 Modifications. No substantive modification to any ETG System may be made after testing, certification, and approval without certification of the modification

by an ITL. The following modifications are not considered substantive and do not require ITL certification or notification to the State Gaming Agency: (a) changes to content not related to any regulated feature; (b) adding or removing users; (c) any system configuration changes that have no impact on the accuracy of report information including gaming revenue; and (d) minor modifications to hardware.

6.3. Field Testing for ETG Systems.

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

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

- a. The requirements and standards that must be met to determine successful field testing.
- b. The number of ETG Terminals to be included in the field test.
- c. The demarcation of the testing area of the gaming floor and necessary signage.
- d. The appropriate length of the testing period.
- e. Identification of who will receive updates, how the updates will be sent, and when they will be sent.

6.3.3 Approval.

- a. After a minimum of thirty (30) days of active operation of field testing free of substantial errors, the Tribal Gaming Agency and State Gaming Agency may end field testing and approve the ETG System if the final joint field testing report provides, at a minimum, the details of testing, any issues identified, the resolution of those issues, and overall performance and compliance of the ETG System with applicable standards.
- b. The ETG System shall be deemed approved after ninety (90) days of active operation unless disapproved in writing by the Tribal Gaming Agency or State Gaming Agency detailing the reasons for disapproval.
- c. Field testing may be suspended by the Tribal Gaming Agency, State Gaming Agency, or the manufacturer at any time for non-compliance.

Once the Tribal Gaming Agency and State Gaming Agency agree the non-compliance issue is resolved, field testing may resume.

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

SECTION 7. COMMUNITY CONTRIBUTIONS

“Net Win from Gaming Stations” as used in Section XIV.C of the Compact shall include Net Win from ETGs.

SECTION 8. PROBLEM AND RESPONSIBLE GAMING

- 8.1 Monetary Contribution. Section 14.4 of Appendix X2, as amended in Appendix E is incorporated herein as follows:

Problem Gambling. Upon the implementation date as provided in Section 1 of this Appendix, 0.2% Thirteen one hundredths of one percent (0.13%) of the net win derived from all Class III gaming activities, determined on an annual basis, shall be dedicated to behavioral health programs that include or integrate problem gambling education, awareness, prevention, and treatment for Tribal citizens and citizens of the State of Washington. On July 1, 2024, and for subsequent years, the contribution amount shall be 0.26% of the net win derived from all Class III gaming activities. Contributions shall be made to Kalispel governmental programs, and/or other governmental, charitable and/or non-profit organizations, which may include the Camas Path Behavioral Health, or the State Health Care Authority’s Division of Behavioral Health and Recovery, or a successor agency with expertise in providing awareness, prevention, education, outreach, treatment, and recovery support services for problem gambling Department of Social and Health Services’ Division of Alcohol and Substance Abuse (DSHS/DASA), that are directly related to helping to reduce problem gambling. The 0.13 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.

- 8.2 Commitment to Responsible Gaming. 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. In addition to the requirements of Appendix S, Section 9, the Tribe agrees to display a commitment to

responsible gambling and a link to the Gaming Operation’s responsible gambling policy on each ETG Terminal.

SECTION 9. ANTI-MONEY LAUNDERING

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.

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