

**SECOND AMENDMENT TO THE TRIBAL-STATE COMPACT  
FOR CLASS III GAMING BETWEEN  
THE COWLITZ INDIAN TRIBE AND THE STATE OF WASHINGTON**

**WHEREAS**, on June 16, 2014, the State of Washington (“State”) and the Cowlitz Indian Tribe (“Tribe”) executed a Class III Gaming Compact (“Original Compact”), pursuant to the Indian Gaming Regulatory Act of 1988 (“IGRA”), P.L. 100-407, codified at 25 U.S.C. Section 2701 et, seq. and 18 U.S.C. Sections 1166-1668; and

**WHEREAS**, on April 8, 2015, the State and the Tribe executed the First Amendment to the Tribal-State Compact for Class III Gaming between the Cowlitz Indian Tribe and the State of Washington (“First Amendment”); and

**WHEREAS**, the Original Compact and the First Amendment have both been approved by the Secretary of the Interior and are in full force and effect (hereinafter referred to collectively as the “Compact”); and

**WHEREAS**, the State and Tribe subsequently conducted additional negotiations in accordance with the provisions of IGRA and the terms of the Compact; and

**WHEREAS**, the State and Tribe have agreed to certain changes to the Compact, including certain provisions found within Appendix X2, that the parties believe will benefit the Tribe and the State, will be fair and protect the members of the Tribe and the other citizens of the State, and are consistent with the objectives of IGRA.

**NOW, THEREFORE, the Compact shall be, and is hereby amended as follows:**

1. Amend Compact Section III(G)(2) to read as follows:
  - (2) A committee consisting of two representatives of the Tribe; a representative of Clark County; a representative of ~~the City of La Center~~ Clark County Fire & Rescue; and a representative of the State Gaming Agency shall be established. The makeup of this committee may be altered by mutual agreement of the Tribe and State Gaming Agency, if necessary.
  
2. Amend Compact Section III(H) to read as follows:
  - H. Forms of Payment

All payment for wagers made in authorized forms of Class III Gaming conducted by the Tribe on its Tribal Lands, including the purchase of chips for use in wagering, shall be made by cash, cash equivalent, 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 prohibit patrons from using public assistance electronic benefits cards for the purpose of participating in any of the activities authorized by this Compact.

3. Amend Compact Section X(A)(2) to read as follows:

(2) Jurisdictional Forums

Following investigation and arrest, formal charges will be brought in the appropriate venue. Criminal prosecution of non-Indians will be through the proper State or Federal Courts. Criminal prosecution of Indians will be through the ~~proper~~ Cowlitz Tribal Court, or State or Federal Courts.

4. Amend Compact Section X(B)(2) to read as follows:

(2) Tribal Jurisdiction

Civil disputes arising from the conduct of Gaming under the Gaming Code may be heard in the ~~Northwest Intertribal~~ Cowlitz Tribal Court or appropriate administrative forum as established by the Gaming Code.

5. Amend Compact Section X(D) to read as follows:

D. Limited Application of State Law

For the purposes of 18 U.S.C. §1166 (d) and enforcing the provisions of this Compact, and of protecting the public health, safety and welfare, and to the extent not inconsistent with other provisions of this Compact, RCW 9.46.0245; 9.46.0269; 9.46.071; 9.46.072; 9.46.075; 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); 9.46.212; 9.46.215; 9.46.217; 9.46.220; 9.46.221; 9.46.222; 9.46.225; 9.46.228; 9.46.231; 9.46.235; 9.46.240; 9.46.360; 9.46.36001; 9.46.410; 10.97.030; 67.16; 67.70; and 74.08.580; 9A.56; 9A.60; 9A.82; 9A.83.020; 9.35.010; 9.35.020; as now or hereinafter amended, shall be applicable and incorporated herein as part of this Compact and the Tribe consents to this transfer of jurisdiction to the State with respect to Gaming on Tribal Lands.

6. 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.

7. The Compact is hereby amended to add **Appendix W - Rules Governing Wide Area Progressives**, in the form attached hereto, in its entirety.

IN WITNESS WHEREOF, the Cowlitz Indian Tribe and the State of Washington have executed this Second Amendment to the Compact.

COWLITZ INDIAN TRIBE

STATE OF WASHINGTON

BY: \_\_\_\_\_  
PHILIP HARJU  
Chairman

BY: \_\_\_\_\_  
JAY INSLEE  
Governor

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_

DRAFT

**COWLITZ INDIAN TRIBE  
and the  
STATE OF WASHINGTON  
CLASS III GAMING COMPACT**

**APPENDIX E  
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.

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 with an entrance no more than twelve (12) feet high and sixteen (16) feet wide with wager limits higher than those provided in Section III(K) of the Compact, subject to the requirements and limitations of this Appendix. "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 a Memorandum of Understanding agreed upon by the State Gaming Agency and the Tribe.

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 identified as demonstrating significant characteristics associated 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(K) 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 identified as demonstrating significant characteristics associated with problem gambling.
- 3.4. The Gaming Operation must follow the requirements of Title 31 (money laundering).

4. Extension of Credit

- 4.1. Notwithstanding Section III(H) of the Compact, the Gaming Operation may extend credit to qualified patrons who meet the criteria set forth in a Memorandum of Understanding ("MOU"), as may be amended from time to time, between the State Gaming Agency and the Tribe. At a minimum, the MOU 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. 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;
- 4.1.6. Information about patrons requesting credit are not shared or used for marketing or promotional purposes with entities outside the Gaming Operation;
- 4.1.7. How the preapproval amount is determined to be consistent with their credit report the preapproval amount is documented, and the patron is notified;
- 4.1.8. The preapproval is granted by an employee that is independent of the patron; and
- 4.1.9. The repayment and debt collection requirements and notification includes:
  - 4.1.9.1. Repayment timeframes not to exceed ninety (90) days from the day of extension of credit.
  - 4.1.9.2. 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.
  - 4.1.9.3. Following applicable federal debt collection laws.
- 4.2. The Tribal Gaming Agency shall forward to the State Gaming Agency a copy of approved procedures, and any changes to those procedures for review and concurrence prior to implementation per Section IX of the Compact.

5. Wagering Limits – Player Terminals.

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

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~~ \$30.00 per Ticket. A single Ticket may offer an opportunity to enter another Game Set;

6. Facility Limits – Gaming Stations and Player Terminals.

6.1. Section III(J) of the Compact is amended to read as follows:

The maximum number of Class III Gaming Stations within the Gaming Facilities combined shall not exceed ~~seventy five (75) gaming stations within one facility~~ and a total of ~~fifty (50)~~ one hundred twenty-five (125) Gaming Stations, within a second facility plus, at

(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 ~~each~~ Gaming Facility. The proceeds from all nonprofit stations shall be dedicated to support nonprofit and charitable organizations and their activities located within Clark 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 Tribal 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) ~~PROVIDED, that the~~ 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. ~~PROVIDED FURTHER, that the~~ 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) No more than thirty (30) of the maximum number of one-hundred twenty five (125) Gaming Stations authorized above may be operated with wager limits greater than \$500 in the High Limit Room and High Limit Pit areas combined; however, the combined number of Gaming Stations with wager limits greater than \$500 in operation in the High Limit Room and High Limit Pits cannot exceed 25% of the total Gaming Stations in operation within a Gaming Facility.

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), ~~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 after prizes or winnings have been paid out (i.e., the difference between the amount wagered or played and the amounts paid to winners) ~~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.

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 Class III Gaming 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 III G (1) and Appendix X2 Section 14.1 is amended to read as follows:

Section III G (1) The Tribe recognizes that activities directly and indirectly associated with the operation of its Gaming Facilities may impact local law enforcement agencies, emergency services, and other services and place an increased burden on them. The Tribe hereby agrees to establish an Impact Mitigation Fund for purposes of providing assistance to impacted non-tribal law enforcement, emergency services, and/or service agencies, including those agencies responsible for traffic and transportation, and water and sanitary sewer. These funds will be distributed based upon evidence of such impacts as demonstrated by each jurisdiction or as otherwise agreed pursuant to Section G.(5) below. The Tribe agrees to withhold and disburse up to ~~two percent (2.0%)~~ three fourths of one percent (0.75%) of the Net Win from the Gaming Stations, except as otherwise excluded under the provisions of this Compact, for the Impact Mitigation Fund. Except as provided in Appendix X2, Section 14.1, no Tribal Lottery System gaming device revenues, proceeds from a nonprofit station as authorized under Section III. J, Class II gaming revenues, or non-gaming revenues, such as, but not limited to, food, beverage, wholesale or retail sales, shall be included, with the ~~two percent (2.0%)~~ three fourths of one percent (0.75%) withheld and disbursed as set forth in this section.

14.1 Impact Costs. Up to ~~one-half of one percent (0.5%)~~ three fourths of one percent (0.75%) 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

8.1. The Tribe recognizes that Gaming activities can lead to compulsive behavior that has the same negative consequences as other behavioral addictions. The Tribe agrees to establish an education and awareness program for casino patrons. The program may be independent or developed as an adjunct to the program with which the State currently works. On an annual basis, the Tribe will provide information about its education, awareness, and treatment program services in its community impacts and contributions report under Section 14.7 of Appendix X2 which includes how funding was spent and how the community benefited from the program. The Tribe and State Gaming Agency agree to work together in good faith to share information related to problem gambling best practices and to meet promptly on the request of either party to discuss issues related to problem gambling.

8.2. 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:

8.2.1. Create and maintain a responsible gambling policy that addresses at least the following areas:

8.2.1.1. 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;

8.2.1.2. Self-exclusion, to cover such topics as the receipt of marketing materials and access into the facility; self-restriction, to cover such topics as setting limits on spending, time, and check cashing limits (which could be done through the player tracking systems); and

- 8.2.2. Resources, to include such topics as posting hot line numbers, signage, educational brochures and materials on how to seek treatment.
- 8.2.3. Within 5 years, or as soon as feasible thereafter, 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.

9. Moratorium

The Tribe agrees to seek no additional amendments to this Appendix with respect to the subject matter of increased wager limits and per facility limits prior to May 1, 2022, or six (6) months after the Problem Gambling Legislative Task Force Final Report is finalized, whichever is later (the "Moratorium"), except in the following circumstances:

- 9.1. Federal or State law, whether by statute, rule, regulation or other action that impacts Washington State, 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 obtains through a Compact amendment, approved by the Secretary of the Interior, 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.

**COWLITZ INDIAN TRIBE  
and the  
STATE OF WASHINGTON  
CLASS III GAMING COMPACT**

**APPENDIX W  
Rules Governing Wide Area Progressives**

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**CLASS III GAMING COMPACT**  
**APPENDIX W**  
**Rules Governing Wide Area Progressives**

STATEMENT OF CONDITIONS AND LIMITATIONS

The Cowlitz Indian Tribe (Tribe) and the State of Washington (State) believe that conducting Class III gaming under the terms, limitations, and conditions set forth below will benefit the Tribe and the State, will be fair and protect the members of the Tribe and the other citizens of the State, and is consistent with the objectives of the federal Indian Gaming Regulatory Act. The parties have agreed upon conditions of the terms, provisions, and limitations contained in this Appendix W.

This Appendix contains interdependent conditions and consequences that must be accepted as a whole in order to operate or participate in a Wide Area Progressive (WAP). As a result, authorization to operate or participate in a WAP requires the Tribe to operate and participate in accordance with all of the requirements of both this Appendix and the subsequent memorandum of understanding agreed to under subsection 2.2.3.

1. INTRODUCTION

1.1 Definitions

Any capitalized term used but not defined herein shall have the same meaning as in the Compact.

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

“Fair” means the odds of winning prizes being equal to other devices connected to the same WAP within accepted statistical industry standards as verified by an approved Gaming Test Laboratory.

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

“Progressive Prize” means a prize that increases by a predetermined amount based on play on a Class III Tribal Lottery System (TLS).

“Wide Area Progressive” or “WAP” means a jackpot sharing system between multiple participating jurisdictions and/or governments within and outside the State.

"WAP Controller" means a component at each participating jurisdiction's and/or government's gaming facility that accumulates Progressive Prizes and provides Progressive Prize information to display for players.

"WAP Operator" means the licensed manufacturer or gaming service supplier that maintains the WAP central system which communicates with individual WAP Controllers.

## 1.2 Intent

The intent of the parties is to allow the Tribe to use a WAP where players are entered into a pool for a Progressive Prize without the insertion of additional consideration.

1.2.1 The WAP must be Fair, secure, and auditable.

1.2.2 The WAP does not constitute a mechanical gambling or lottery device activated by the insertion of a coin or by the insertion of any object purchased by any person taking a chance by gambling in respect to the device.

1.2.3 The WAP does not constitute an electronic or mechanical device or video terminal which allows for individual play against such device or terminal.

## 2. REQUIREMENTS

### 2.1 General Requirements

The basic requirements for a WAP authorized under Section IV-Class III Gaming Activities of the Compact are as follows:

2.1.1 Any WAP Controller utilized by the Tribe may operate only in conjunction with the TLS and may not offer a game where the player may play against the device.

2.1.2 The restrictions on the use and operation of the TLS as governed by Appendix X and Appendix X2, including prohibiting individual play against such devices or terminals, are not changed by this Appendix.

2.1.3 The WAP will be Fair for players in the State.

2.1.4 The rules of play will be posted for the customer.

2.1.5 The WAP will conform with 25 U.S.C. § 2710 (d)(1)(A), (B), and (C).

2.1.6 The WAP will allow the State Gaming Agency to remotely view the Tribe's reports and activity in real time as specifically provided for in a full submission.

2.1.7 The Tribe will make available for review agreements and contracts regarding WAP participation in accordance with Compact Section X, B Access to Records.

- 2.1.8 Employees and/or representatives of a WAP Operator must meet the applicable licensing and certification requirements in accordance with Compact Section V Licensing and Registration Requirements and VI Tribal Licensing and State Registration.
- 2.1.9 Each specific type of WAP approved will conform to the standards documented in a Memorandum of Understanding after a full submission has been approved, and the Tribe shall not begin operation of said WAP until the testing and certification requirements referred to in Section 3 of this Appendix are met.
- 2.1.10 The Tribe will notify the State Gaming Agency of its participation in a specific type of WAP and will follow the requirements in an approved Memorandum of Understanding for the specific type of WAP in order to participate in that WAP.

## 2.2 Submission Process

- 2.2.1 Each full submission made must meet the requirements contained in the Compact, Appendix X, Appendix X2, and this Appendix, and shall set the technical standards and Internal Controls for the operation of that type of WAP. Except for the TLS as governed by Appendix X or X2, the Tribe and the State Gaming Agency shall enter into a separate Memorandum of Understanding for each specific type of WAP the Tribe wishes to operate.
- 2.2.2 A "full submission," as that term is used in this Appendix, shall include a detailed description of technical standards and other information that includes at least the following:
  - 2.2.2.1. How the system operates with the TLS, including connections to the system and other jurisdictions, probability, and summary of game rules which must be posted for the customer in any format;
  - 2.2.2.2. WAP illustrations, schematics, block diagrams, circuit analyses, program object and source codes, and hexadecimal dumps which means the compiled computer program represented in base 16 format;
  - 2.2.2.3. Technical and operation manuals including operation, interface, Progressive Prize verification, and random number generator standards;
  - 2.2.2.4. System hardware specifications including all key Components including the WAP Controller;
  - 2.2.2.5. Base software which means the software platform upon which games are loaded;
  - 2.2.2.6. Game software for one or more games, including game set size and point of overlap;
  - 2.2.2.7. System security including encryption, firewalls, key controls, and surveillance;
  - 2.2.2.8. Odds for winning the Progressive Prize, the base Progressive Prize amount, the reset Progressive Prize amount, the incremental increases of the Progressive Prize, and any secondary pool increment(s);



- 2.2.2.9. Accounting system requirements and reports which must include at least a progressive balancing report and report of unusual events such as critical memory clears, changes to Progressive Prizes, offline equipment, multiple site prizes, and related reports;
  - 2.2.2.10. Reports which must include at least a progressive summary, aggregate, and payoff and any adjustments made by the WAP Operator on Progressive Prize pools;
  - 2.2.2.11. Procedures for handling simultaneous Progressive Prize winners in multiple locations or jurisdictions;
  - 2.2.2.12. Procedures to make changes or adjustments to or be removed from the WAP, including notice requirements to the Participant Tribes and players;
  - 2.2.2.13. Procedures for accepting additional Participant Tribes or participating jurisdictions and/or governments into the WAP;
  - 2.2.2.14. Procedures to handle system malfunctions and reporting those malfunctions to participating jurisdictions and/or governments;
  - 2.2.2.15. Player dispute procedures;
  - 2.2.2.16. Procedures, including a timeframe, for Gaming Operations staff or WAP Operator to provide notice to the Tribal Gaming Agency and State Gaming Agency of WAP non-compliance;
  - 2.2.2.17. Capability and process to allow the State Gaming Agency to remotely view the Tribe's WAP to review reports and activity real time; and
  - 2.2.2.18. Any agreement, written specifications, or limitations required of a WAP Operator by any other state or tribal government and affecting a WAP.
- 2.2.3 The Tribe may present to the State Gaming Agency, at any time, a WAP full submission it believes satisfies the requirements of the Compact and this Appendix. Within ninety (90) days of the Tribe's providing of a complete, full submission for its proposed WAP to the State Gaming Agency, the Tribe and the State Gaming Agency will execute a Memorandum of Understanding as required by Section 2.1.9.

### 3. TESTING AND APPROVAL

#### 3.1 Independent Gaming Test Laboratory

- 3.1.1 Designation. The Tribe shall select one or more gaming test laboratories (hereinafter "Gaming Test Laboratory") to perform the testing required in this Appendix. The selection of a Gaming Test Laboratory will be done according to Appendix X2, Section 10.1.
- 3.1.2 Gaming Test Laboratory Duty of Loyalty. The Tribe shall inform the Gaming Test Laboratory, in writing, that irrespective of the source of payment of its fees,

the Gaming Test Laboratory's duty of loyalty and reporting requirements run equally to the State Gaming Agency and the Tribe.

### 3.2 General Testing Requirements

The general purpose of testing the WAP and related Components is to determine the compliance of the WAP with the Memorandum of Understanding agreed to by the Tribe and the State Gaming Agency. Prior to operation of the WAP, the WAP and related Components shall be tested by a licensed Gaming Test Laboratory, to verify:

- 3.2.1 Compliance with the applicable requirements of the Compact, Appendix X, Appendix X2, and this Appendix; and
- 3.2.2 The WAP is Fair for both the players and the participating gaming facilities; and
- 3.2.3 Compliance with the Memorandum of Understanding and currently accepted gaming test industry standards with respect to multi-jurisdictional WAPs.

### 3.3 Materials Provided to Gaming Test Laboratory

- 3.3.1 The Tribe shall provide or require that the WAP Operator provide to the Gaming Test Laboratory a copy of the executed Memorandum of Understanding, and any other information requested by the Gaming Test Laboratory. The Tribe shall make all such materials available to the State Gaming Agency upon request;
- 3.3.2 If requested by the Gaming Test Laboratory, the Tribe shall require the WAP Operator to transport not more than two (2) working models of the WAP associated player terminals, and any required system elements to a location designated by the Gaming Test Laboratory for testing, examination or analysis. Neither the State nor the Gaming Test Laboratory shall be liable for any costs associated with the transportation, testing, examination, or analysis, including any damage to the Components of the WAP. If requested by the Gaming Test Laboratory, the Tribe shall require the WAP Operator to provide specialized equipment or the services of an independent technical expert to assist with the testing, examination and analysis. The Gaming Test Laboratory will notify the State Gaming Agency of the request and need for the request;

### 3.4 Approval by the State Gaming Agency

Upon receiving the certification, technical standards tested, and results of testing from the Gaming Test Laboratory, the State Gaming Agency shall either approve or disapprove the WAP or Component thereof, based on the criteria contained in this Appendix and the Memorandum of Understanding. The Tribe or WAP Operator may request a temporary suspension of the State Gaming Agency's review of the WAP or Component for a mutually agreed upon time period through a written request to the State Gaming Agency Director.

During the State Gaming Agency approval process, the Gaming Test Laboratory will meet with the State Gaming Agency and respective Tribal Gaming Agency to inform

regulatory staff of the certification process and technical standards tested and provide training so that these personnel have an understanding of the WAP, can create a regulatory program, and can better respond to questions and complaints.

### 3.5 Installation

3.5.1 No WAP may be offered for play unless:

3.5.1.1 Such WAP is approved as provided in this Appendix; and

3.5.1.2 The WAP prototype thereof has been tested and certified by the Gaming Test Laboratory as meeting the requirements and Memorandum of Understanding specified by this Appendix.

3.5.2 The State Gaming Agency and Tribal Gaming Agency will meet to confer on WAP initial implementation and Internal Controls changes to prepare for WAP operation. Initial Internal Controls and any subsequent changes are to be completed in conformance with Compact Section XI Standards of Operation.

### 3.6 WAP Operator Certification

Before any Component of a WAP may be placed into operation, the Tribe shall first have obtained a written certification from the WAP Operator that, upon installation, each such Component:

3.6.1 Conforms to the specifications of the WAP as certified by the Gaming Test Laboratory; and

3.6.2 Operates and plays in accordance with the applicable requirements of the Compact, Appendix X, Appendix X2, this Appendix, and the Memorandum of Understanding.

### 3.7 Payment of Fees

3.7.1 The Gaming Test Laboratory shall not accept a WAP submission from a WAP Operator without first receiving an executed Memorandum of Understanding from the Tribe. All Gaming Test Laboratory fees related to a WAP submission shall be the responsibility of the WAP Operator.

3.7.2 All State Gaming Agency testing fees related to a WAP submission shall be the responsibility of the WAP Operator.

## 4. INSPECTIONS

4.1 The Tribe shall allow the State Gaming Agency to inspect any Components of a WAP for the purposes of confirming that such Component is operating in accordance with the requirements of the Compact, Appendix X, Appendix X2, this Appendix, and the Memorandum of Understanding and that such Component is identical to that tested by a Gaming Test Laboratory. Inspections shall be pursuant to the Compact.

- 4.2 The WAP Operator shall allow the Tribal Gaming Agency and State Gaming Agency to inspect any Components of a WAP for the purposes of confirming that such Component is operating in accordance with the requirements of the Compact, Appendix X, Appendix X2, this Appendix, and the Memorandum of Understanding and that such Component is identical to that tested by a Gaming Test Laboratory.
- 4.3 When the Tribal Gaming Agency or State Gaming Agency determine there is a failure to comply with the Memorandum of Understanding, either will immediately suspend a WAP's operation.
- 4.4 Reinstatement of a WAP's operation shall occur once the Tribal Gaming Agency and State Gaming Agency agree that a suspended WAP complies with the Memorandum of Understanding as determined by follow-up testing by the Gaming Test Laboratory.
- 4.5 If after an investigation the Tribal Gaming Agency or State Gaming Agency believe the WAP is not operating in a Fair manner, either may request a mathematical review by an independent third party. The WAP Operator will pay the cost of this review.

## 5. PARTICIPATION IN ANOTHER APPROVED WAP

The Tribe may participate in more than one approved WAP. When the Tribe elects to participate in a WAP that has already been approved by the State Gaming Agency, Sections 1-4 of this Appendix do not apply except as required by Section 5.1.3 below.

### 5.1 Requirements for participation in another approved WAP:

- 5.1.1. When participating in a WAP that has already been approved by the State Gaming Agency, the Tribe must follow the requirements in the Memorandum of Understanding related to that WAP.
- 5.1.2. The Tribe will notify the State Gaming Agency of its participation in or withdrawal from another WAP and will make any and all copies of its participation agreements available for review.
- 5.1.3. When the Tribe participates in an already approved WAP, the Tribe will follow the requirements listed in Sections 1, 2.1, 3.5, 3.6, 4, and 5 of this Appendix.