

**MEMORANDUM OF INCORPORATION of
MOST FAVORED NATION AMENDMENTS
To The
TRIBAL-STATE COMPACT FOR CLASS III GAMING
Between the
COWLITZ INDIAN TRIBE
and the
STATE OF WASHINGTON**

The Cowlitz Indian Tribe (“Tribe”) and the State of Washington (“State”) entered into a Tribal-State Compact for Class III Gaming (“Compact”) on June 16, 2014, and has amended the Compact three times by mutual agreement. Pursuant to Compact Section XV.G(2)b.iii, the Compact shall be amended at the request of the tribe if the Secretary of Interior approves a compact with another tribe, that includes more gaming facilities, activities, Gaming Stations or higher wager limits, or any combination thereof. The following amendments in this Memorandum of Incorporation (“MOI”) are hereby incorporated in the Compact. Modifications that require formal amendment or renegotiation will be addressed separately. Anything not specifically authorized or amended by this MOI but provided for in the Tribe’s Compact, any other appendices, or the Most Favored Nations Section XV.G(2)b.iii shall remain in full force and effect.

1. Replace Appendix E—Limitations on Wagers, Credit, Facilities; Increasing Problem Gaming Resources and Contributions.

Appendix E “Limitations on Wagers, Credit, Facilities; Increasing Problem Gaming Resources and Contributions” added in the Tribe’s Amendment 2, is replaced in its entirety, by the Appendix attached to this MOI.

INCORPORATED ON THE LAST DATE ENTERED BELOW.

COWLITZ INDIAN TRIBE

STATE OF WASHINGTON

BY: Patty Kinswa-Gaiser
PATTY KINSWA-GAISER
General Council Chairwoman

BY: Jay Inslee
JAY INSLEE
Governor

DATED: 08-4-2023

DATED: 9-08-23

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

**APPENDIX E REVISED 2023
LIMITATIONS ON WAGERS, CREDIT, FACILITIES;
INCREASING PROBLEM GAMING RESOURCES AND CONTRIBUTIONS**

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1. Conditions and Limitations

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.

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.

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 of a size approved by the Tribal Gaming Agency and the State Gaming Agency and 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 by the Gaming Operation.

2.4. The Gaming Operation must follow the requirements of Title 31 U.S.C. as applicable.

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, by the Gaming Operation.

3.4. The Gaming Operation must follow the requirements of Title 31 (money laundering) as applicable.

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:

- (1) All patrons requesting credit are required to submit a complete tribal credit application and be provided problem gambling information;
- (2) The minimum and maximum amount any patron can request;
- (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) When a patron's credit application will be reviewed after initial application and preapproval;
- (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;
- (6) Information about patrons requesting credit are not shared or used for marketing or promotional purposes with entities outside the Gaming Operation;
- (7) How the preapproval amount is determined to be consistent with their credit report the preapproval amount is documented, and the patron is notified;
- (8) The preapproval is granted by an employee that is independent of the patron; and
- (9) 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 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.

5.1. 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. 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:

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. If this Appendix is implemented, 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) At the option of the Tribe, 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 Clark 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 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 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), ~~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. Community Contributions withholding and disbursement amounts are as follows:
- (1) The Tribe agrees to withhold and disburse up to three fourths of one percent (0.75%) of the Net Win from Gaming Stations within the Gaming Facilities, for the Impact Mitigation Fund. Except as otherwise provided in Appendix X2, Section 14.1, no Tribal Lottery System activity revenues, proceeds from a nonprofit station as authorized under Section 6.1 above, or revenues from activities that do not constitute Class III Gaming, such as, but not limited to, food, beverage, wholesale or retail sales, shall be included, or otherwise considered with respect to the withholding and disbursement provided for in this section.

- (2) Appendix X2 Section 14.1 is amended as follows:
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. If not already implemented, the Tribe agrees to establish an education and awareness program for Tribal Lands and surrounding communities as required in Compact Section VII.F
- 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:
- (1) Create and maintain a responsible gambling policy that addresses at least the following areas:
 - a) Annual training and education for all Gaming Employees to cover such topics as how to identify problem gamblers, how to provide assistance when asked, underage prevention, and unattended children;
 - b) 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
 - (2) Resources, to include such topics as posting hot line numbers, signage, educational brochures and materials on how to seek treatment.
 - (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.