

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

The Tulalip Tribes of Washington (“Tribe”) and the State of Washington (“State”) entered into a Tribal-State Compact for Class III Gaming (“Compact”) on August 2, 1991, and has amended the Compact ten times by mutual agreement. Pursuant to Compact Section 15. (d) (ii) (cc), 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 as the Eleventh Amendment. 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 15. (d) (ii) (cc) shall remain in full force and effect.

1. Compact, Section 2. (j) is amended to read as follows:

“Gaming Station” means one Gaming table of the general size and scope as commonly used in Nevada or Electronic Table Games, subject to Appendix G.

2. Compact, Appendix A, Section 1 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. Compact Section 3 (a), as previously amended, is amended to add:

(xxvi). Electronic Table Games, subject to Appendix G.

4. Compact Section 3 (d), as previously amended, is further amended to read as follows:

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, or 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. No credit shall be extended to any patron of the Gaming Facilities for gaming activities except as authorized in this Compact and Appendices.

5. Compact Section 3 (g), as previously amended is further amended to read as follow:
Wagering Limitations.
Unless otherwise specified in this Compact or Appendices, Wwager limits shall not exceed five hundred dollars (\$500).
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 G—Electronic Table Games, in the form attached hereto, in its entirety.

INCORPORATED ON THE LAST DATE ENTERED BELOW.

TULALIP TRIBES OF WASHINGTON

BY: 

TERI GOBIN
Chairwoman

DATED: 11/13/23

STATE OF WASHINGTON

BY: 

JAY INSLEE
Governor

DATED: 12/12/23

**TULALIP TRIBES OF WASHINGTON
and the
STATE OF WASHINGTON
CLASS III GAMING COMPACT**

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

Table of Contents

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

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 Rooms

2.1 "High Limit Room" means a clearly identified area of the Gaming Facility separated by a permanent, physical barrier or a separate room in the Gaming Facility. "Permanent, physical barrier" includes a partial wall, fence or similar separation. Stanchions or similar movable barriers are not considered a permanent, physical barrier.

2.2 The Gaming Operation may offer Gaming Station wager limits in the High Limit Rooms up to five thousand dollars (\$5000).

2.3 Access to the Gaming Stations in a High Limit Room will be subject to pre-screening qualifications and screening process set forth in a Memorandum of Understanding agreed upon by the State Gaming Agency and the Tribe, as may be amended from time to time.

2.4 No customers may participate in Gaming at Gaming Stations in a High Limit Room if they are known to the Gaming Operation to have a history of problem gambling or currently barred for self-exclusion, or known by the Gaming Operation as demonstrating significant characteristics associated with problem gambling.

2.5 The Gaming Operation must follow the requirements of Title 31 U.S.C.

3. High Limit Pits

3.1 "High Limit Pit" means a designated Pit in the Gaming Facility with Gaming Station wager limits higher than five hundred dollars (\$500), subject to the requirements and limitations of this Appendix.

3.2 The Gaming Operation will demarcate the High Limit Pit areas by including visible signage to indicate that patrons are entering a high wager area, and with

visible signage on each table to indicate the minimum and maximum wagers for tables in that pit.

- 3.3 The Gaming Operation may offer Gaming Station wager limits not to exceed one thousand dollars (\$1,000) in the Gaming Facility's High Limit Pits.
 - 3.4 No customers may participate in Gaming in a High Limit Pit if they are identified by Gaming Operation personnel to have a history of problem gambling, or currently barred for self-exclusion, or identified by Gaming Operation personnel as demonstrating significant characteristics associated with problem gambling.
 - 3.5 The Gaming Operation must follow the requirements of Title 31 U.S.C.
4. Extension of Credit
- 4.1 Notwithstanding Section 3 (d) of the Compact, the Gaming Operation may extend credit to patrons who seek an extension of credit and who meet the criteria set forth in credit procedures developed by the Gaming Operation. At a minimum, the credit procedures must specify:
 - 4.1.1 All patrons requesting credit are required to submit a complete tribal credit application and be provided problem gambling information;
 - 4.1.2 The minimum and maximum amount any patron can request;
 - 4.1.3 The process for review and verification of the credit application, which review process shall include, at a minimum, proof of identity, obtaining a credit report, gaming report unless this is the first casino credit for the patron (from Central Credit Inc. or similar provider that provides information on the patron's prior casino credit), and bank verification of accounts;
 - 4.1.4 When a patron's credit application will be reviewed after initial application and preapproval;
 - 4.1.5 Patrons will not be extended credit if known to the Gaming Operation to have a history of problem gambling, if actively barred for self-exclusion, or if the Gaming Operation's review of a credit report indicates the patron is proposing to make wagers beyond his or her means;

- 4.1.6 How each patron's credit application information is kept confidential and secure from unauthorized access, including who is authorized to access the credit application information;
- 4.1.7 Information about patrons requesting credit are not shared or used for marketing or promotional purposes with entities outside the Gaming Operation;
- 4.1.8 How the preapproval amount is determined to be consistent with their credit report, the preapproval amount is documented, and the patron is notified;
- 4.1.9 The preapproval is granted by an employee that is independent of the patron;
- 4.1.10 The repayment and debt collection requirements and notification includes:
 - 4.1.10.1 Repayment time frames 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 the credit procedures, for review and concurrence prior to implementation per Section 11 (a) of the Compact.

5. Wagering Limits – Player Terminals

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

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

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

4.1.4 Each On-line Lottery Game may offer more than one method of winning a prize, and each method may be represented by a separate wager, but each wager may not exceed ~~\$20.00~~ \$30.00. Wagers are deducted from the Game Play Credits displayed on the Player Terminal.

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

6. Facility Limits – Gaming Stations and Player Terminals

6.1 Section 3 (f) of the Compact is replaced in its entirety as follows:

- (f) Number of Gaming Stations. The maximum number of Class III Gaming Stations within the Gaming Facilities combined shall not exceed a total of one hundred twenty-five (125) Gaming Stations.
 - (1) At the option of the Tribe, one (1) additional Gaming Station ("the nonprofit station") for every twenty-five (25) Gaming Stations in operation may be allowed in a Gaming Facility. The proceeds from all nonprofit stations shall be dedicated to support nonprofit and charitable organizations and their activities located within Snohomish 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) 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 of Appendix D of this Compact.

- (3) The exact mix of high wager Gaming Stations in the Gaming Operation shall be left to the Tribe's discretion; however, no more than 25% of the Gaming Stations in operation in a Gaming Facility may offer wagers between \$500 and \$1,000.00 in the High Limit Pit(s), and the total number of Gaming Stations within the High Limit Room(s) and in the High Limit Pit(s) combined will not exceed thirty-one (31) Gaming Stations.

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

Subject to Section 12.4 below, the Tribe may operate ~~no more than 2,500 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.

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 making payments as specified below from the first day any of the provisions of this Appendix are implemented following the effective date of this Appendix.

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

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

Systems after prizes or winnings have been paid out (i.e., the difference between the amount wagered or played and the amounts paid to winners) as reported as gaming revenue on the annual audited financial statements in accordance with Generally Accepted Accounting Principles (GAAP) less any cost of developing, licensing, or otherwise obtaining the use of the Class III games;

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

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

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

Charitable Donations. One-half of one percent (0.5%) of the Net Win derived from Tribal Lottery System-all 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, unless exempt from such registration by the Secretary of the State.

- 7.4 The Tribe has been providing community impact mitigation relief since opening their Class III Gaming Facility in 1992. As of the date of this Appendix, the State Gaming Agency has not received any criticisms from local jurisdictions regarding unfunded impacts. In addition, the Tribe has improved emergency services and customer safety and reduced the burden on local emergency service agencies by qualifying Tulalip law enforcement officers as "general authority Washington peace

officers” as defined in RCW 10.93 through cross-deputization with local law enforcement agencies, and exercising primary law enforcement responsibilities over the property, including patrolling the property regularly, increasing patrols during high periods of attendance such as weekends and special events, hiring off-duty police officers to increase special event safety, and entering into service agreements with local jurisdictions for emergency services.

The Tribe and State agree that the provisions of this Appendix will not significantly increase attendance at this location or increase the impact on the neighboring community because of the current structure of the Tribe’s Gaming Facilities.

For these reasons, the Tribe and State agree that additional funding for Community Impact is not needed at this time and the Tribe will continue to provide funding per Compact Section 14 (c) and Compact Appendix X2, Section 14.1. However, if the Tribe intends to no longer provide pro-active impact mitigations, such as entering into service agreements for emergency services or local law enforcement as discussed above, or receives evidence-based valid requests for actual and demonstrated impact by the requesting jurisdiction for Community Impact funding that cannot be met at the current contribution level, the Tribe will immediately notify the State Gaming Agency and will begin accruing and making payments as specified below:

7.4.1 Compact Section 14 (c) as amended is further amended to read as follows:

Community Contribution. A sum of money equal to one and three quarters of one percent (1.75%) ~~two percent (2%)~~ of the net win of the gaming stations, less and except the “non-profit” gaming station(s), shall be paid by the Tribe to Snohomish County and any other neighboring jurisdictions for law enforcement and related purposes as a contribution to defer the actual or potential impacts upon those jurisdictions resulting from the operation of the Class III gaming facility, and/or other purposes as the Tribe and a jurisdiction may agree. These funds shall be proportionately shared by the such impacted jurisdictions based upon evidence of such impacts as demonstrated by each jurisdiction. The contribution shall be made annually upon the anniversary or the opening of the initial Class III facility, in the manner and method first mutually agreed upon between the Tribe and the jurisdictions involved in writing.

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

14.1 Impact Costs. Up to ~~one-half six tenths~~ of one percent (~~0.5%~~) (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. Responsible Gambling

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

8.1 Provide complimentary, on-site space for responsible gambling resources and information;

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

8.2.1 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;

8.2.2 Self-exclusion, to cover such topics as the receipt of marketing materials and access into the facility;

8.2.3 Self-restriction, which may cover such topics as setting limits on spending, time, and check cashing limits; and

8.2.4 Resources, to include such topics as posting hot line numbers, signage and material availability on how to seek treatment;

8.3 Within five (5) years, or as soon as feasible thereafter, investigate and, at the Tribe's discretion, either develop a new or implement an existing interactive responsible gambling application or program for players.

9. Moratorium

The Tribe agrees to seek no additional amendments to this Appendix with respect to the subject matter of increased wagers and per facility limits prior to May 1, 2022, or 6

months after the Problem Gambling Legislative Task Force Final Report is finalized, whichever is later, (“Moratorium”) except in the following circumstances, which circumstances may also constitute a basis for the Tribe to seek such an amendment after the expiration of the Moratorium:

- 9.1 Federal or State law, whether by statute, rule, regulation or other action that impacts Washington State or the Tribe, is amended to increase any limitations above those included in this Appendix;

- 9.2 A State or Federal Court within the State of Washington or a Federal Court interpreting the laws of the State of Washington issues a final and unappealable decision permitting increased limitations above those included in this Appendix;
or

- 9.3 Any other tribe located in the State of Washington, through a Compact amendment approved (or deemed approved) by the Secretary of the Interior, obtains materially different concessions, limitations, and agreements than those outlined in this Appendix. The State and Tribe agree to incorporate into this Compact all provisions of the other tribe’s amendment and such agreement will be documented in a Memorandum of Incorporation.

**TULALIP TRIBES OF WASHINGTON
and the
STATE OF WASHINGTON
CLASS III GAMING COMPACT**

**APPENDIX G
ELECTRONIC TABLE GAMES**

Table of Contents

SECTION 1. CONDITIONS AND LIMITATIONS.....	1
SECTION 2. DEFINITIONS	1
SECTION 3. AUTHORIZATION.....	2
SECTION 4. NUMBER OF GAMING STATIONS.....	3
SECTION 5. OPERATION AND REPORTING REQUIREMENTS.....	3
SECTION 6. APPROVAL OF ELECTRONIC TABLE GAME SYSTEMS.....	5
SECTION 7. COMMUNITY CONTRIBUTIONS	7
SECTION 8. PROBLEM AND RESPONSIBLE GAMING.....	7
SECTION 9. ANTI-MONEY LAUNDERING.....	7

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 this Memorandum of Incorporation 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 3(a). Pay table or odds offered on an ETG shall be consistent with game rules as approved in Section 11(b)(iv). 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 15(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 14(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 previously amended, is replaced in its entirety to read as follows:

Problem Gambling. The Tribe shall contribute an amount as described below to programs for problem gambling education, awareness, prevention, and treatment for tribal and non-tribal citizens in the State of Washington. Contributions shall be made to charitable and/or non-profit organizations, or to governmental organizations which may include the 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. Beginning on the Implementation Date and until June 30, 2024, the Tribe shall accrue 0.20 percent (0.2%) of the net win derived from all Class III gaming activities, determined on an annual basis. Beginning on July 1, 2024, and subsequent fiscal years, the Tribe shall accrue 0.26 percent (0.26%). The percent of net win accrued 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 24, 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.