SECOND AMENDMENT TO THE TRIBAL/STATE COMPACT
FOR CLASS III GAMING
Between the
PUYALLUP TRIBE OF INDIANS
and the
STATE OF WASHINGTON

INTRODUCTION

The PUYALLUP TRIBE OF INDIANS (hereafter "Tribe") and the STATE OF WASHINGTON (hereafter 'State") entered into a compact on July 12, 1996, for the regulation and operation of Class III gaming activities conducted within the exterior boundaries of the Puyallup Indian Reservation. The Tribe and the State amended that compact by mutual agreement on November 25, 1998, for the operation of the Tribal Lottery System. To maintain equality with other compacts entered into between the State and other Tribes, the compact provides that it shall be automatically amended in the event the State authorizes another Tribe more gaming stations, higher wager limits, more hours of operation, other Class III gaming activities, or any combination thereof. As a result of the State's approval of amendments to its compact with the Muckleshoot Indian Tribe, the Tribe and the State agree to the amendments set forth below.

COMPACT AMENDMENTS

1. Section II, D is amended to read as follows:

"D. "Gaming Facility" or "Gaming Facilities" means the building or buildings or portion thereof in which Class III Gaming activities as authorized by this Compact are conducted on the Puyallup Indian Reservation."

2. Section II, A, B, F, G, H, I, J, K, L, M, O, P, Q, and R are amended to read as follows:

"A. Scope of Class III Gaming ~~Generally and Specific Table Games Included~~.
The Tribal gaming operation may utilize in its gaming facilit~~y~~ies, subject to the provisions of this Compact, any or all of the Class III gaming activities not specifically prohibited by federal law and not prohibited by the State as a matter of criminal law, including:

1. Baccarat;
2. Beat My Shake;
3. Beat the Dealer;
4. Blackjack (to the extent not played as a Class II game);
5. Caribbean Stud Poker (to the extent not played as a Class II game);
6. Chemin De Fer;
7. Chuck-a-luck;
8. Craps;

9. 4-5-6;
10. Horses (stop dice);
11. Horse Race;
12. Jackpot Poker;
13. Money-wheel;
14. Over/Under Seven;
15. Pai-gow (to the extent not played as a Class II game);
16. Poker (to the extent not played as a Class II game);
17. Red Dog;
18. Roulette;
19. Ship-Captain-Crew;
20. Sic-Bo;
21. Sweet Sixteen;
22. Other table games authorized for play in Nevada and played in accordance with applicable Nevada rules, upon twenty days written notice to the State Gaming Agency, provided should a dispute arise, the game shall not be utilized until the dispute is resolved in accordance with Section XII.B.3.b's final and unappealable arbitration provisions;
23. Any gaming devices as defined under the Johnson Act, which are authorized for the operation of pull tab games in the State of Washington.

B. Scope of Gaming – Punchboards and Pull Tabs and Washington State Lottery – Separate Locations. In addition to the games authorized by Section III (A) and in addition to the Class II punchboards and pull tabs presently operated by the Tribe, the Tribe may utilize punchboards and pull tabs in each ~~the~~ gaming facility and at other locations within Puyallup Tribal Lands subject to regulation by the Tribe. Tribally licensed punchboards and pull tabs operated on trust land outside of the Tribal gaming facilit~~y~~ies shall be licensed and operated consistent with the sale of punchboards and pull tabs in the Tribal bingo facility. The operation of State lottery retail locations within Puyallup Tribal Lands shall be subject to the provisions of RCW 67.70, WAC 315, and Tribal Ordinance.

F. Authorized Gaming ~~Operation and~~ Facilit~~y~~ies. ~~Initially~~ The Tribe may establish ~~one Class III gaming operation and~~ two (2) gaming facilit~~y~~ies, to be located on ~~the Puyallup Indian Reservation, at 2002 East 28th, Tacoma, Washington, or~~ Tribal land held in trust within or contiguous to the boundaries of the Puyallup Indian Reservation ~~as agreed to by the parties~~ for the operation of any Class III games authorized pursuant to this Compact.

G. Forms of Payment. All payment for wagers made in authorized forms of Class III gaming conducted by the Tribe, including the purchase of chips or tokens for use in wagering, shall be made by cash, cash equivalent, credit card or personal check. Except for said use of credit cards, no credit shall be extended to any patron of a ~~the~~ gaming facility for gaming activities.

H. Size of Gaming Floor. The actual size of the Class III gaming floor within each ~~the~~ gaming facility shall be determined by the Tribe.

I. Number of Gaming Stations. ~~During the first six months of operation, the maximum number of Class III gaming stations shall not exceed thirty-one (31) plus, at the option of the Tribe, one (1) additional gaming station ("the nonprofit station").~~ The Tribe has the option to use a total of seventy-five (75) gaming stations within one facility and a total of fifty (50) gaming stations within a second facility. However, the Tribe has the option to add one (1) additional nonprofit gaming station ("nonprofit station") for every twenty-five (25) gaming stations allowed in a facility. The proceeds from the nonprofit stations shall be dedicated to support non-Tribal nonprofit organizations and their activities located within Pierce County, or the State of Washington. PROVIDED, that the Tribe is required to obtain transfers of 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 transfer of Class III gaming station authorization from another tribe shall be effectuated through the use of a "Class III Gaming Station Transfer Agreement" appended hereto as Appendix C of this Compact. For purposes of determination of "proceeds" from the nonprofit stations only, proceeds shall mean the net win less the pro rata cost of regulation and operation, specifically excluding capital costs. The net win from the non-profit stations is not subject to the community contribution established under Section XIV.~~C~~ D. of this Compact. The Tribal gaming ordinance shall set forth regulations concerning the types of bona-fide nonprofit organizations or types of projects of such organizations that shall be supported by the nonprofit stations. ~~When the gaming operation has met the conditions set forth in Section III. Q., "phase two" may be implemented, providing for up to fifty gaming stations plus, at the option of the Tribe, two (2) additional gaming stations ("the nonprofit stations"). At the time the operation is increased to 52 gaming stations the State and Tribal Gaming Agencies will thoroughly review the nonprofit program conducted by the Tribe, and conduct discussions and negotiations regarding the terms and conditions of an extension of this non-profit program by amendment to this Compact.~~

J. Wagering Limitations. ~~During the first six months of operation or earlier as provided in Section III.Q., w~~Wager limits shall not exceed ~~two hundred fifty dollars ($250). At the end of six months continual operation, if the gaming operation has met the conditions set forth in Subsection Q., "phase two" may be implemented, providing for wager limits of up to~~ five hundred dollars ($500).

K. Hours of Operation. ~~During the first six months of operation or earlier as provided in Section III.Q., operating hours may not exceed one hundred twelve (112) hours per week on an annualized basis, not to exceed 20 hours in any 24-hour period with the exception of the three (3) special occasions delineated below.~~ The Tribe may conduct Class III operations for up to one hundred and fifty six (156) hours per week in each Class III gaming facility. The Tribe may schedule the hours to best meet market conditions and may operated any day of the week. ~~provided after consultation with local non-tribal law enforcement, local non-tribal law enforcement has no reasonable concerns regarding any proposed non-closure between the hours of 2 a.m. and 6 a.m. Provided further, on three (3) special occasions, the State and the Tribe may agree to twenty-four (24) hour operation, not to exceed seventy-two (72) hours per occasion, so long as the Tribe gives thirty (30) days notice of its desire to do so. If the Tribe and the State cannot mutually agree, the issue will be resolved according to Section XII.B.3.b's final and~~

~~unappealable binding arbitration provision. At the end of six months continual operation or earlier as provided in Section III.Q., if the gaming operation has met the conditions set forth in Subsection Q., "phase two" may be implemented providing for operating hours of up to one hundred forty (140) hours per week on an annualized basis, not to exceed 20 hours in any 24-hour period with the exception of the three (3) special occasions delineated above.~~
PROVIDED, that upon twenty (20) days written notice to the Tribal gaming agency and the State gaming agency, the Tribe may, not more than three (3) times in each facility in any twelve (12) month period, conduct operations for up to one hundred and sixty (160) hours per week. This shall be accomplished only by shifting hours or portions of hours from other weeks and consequently reducing the corresponding period of operation during such weeks.

L. Ownership of Gaming Facilit~~y~~ies and Gaming Operation. The gaming operation and the gaming facilit~~y~~ies shall be owned and operated by the Tribe, but the Tribe shall be entitled to contract for management of the gaming facilit~~y~~ies and ~~gaming~~ operation, consistent with the requirements of IGRA and this Compact.

M. Prohibited Activities. Any Class III gaming activity not authorized by ~~in~~ this Compact is prohibited. Unless otherwise authorized by the State and Tribe, all Class III gambling devices are prohibited. Nothing herein is intended to prohibit or restrict otherwise lawful and authorized Class II gaming activities on the Puyallup Indian Reservation or within the gaming facilit~~y~~ies.

O. Age Limitations. No person under the age of eighteen (18) shall participate in any gaming operation, or be allowed on the Class III gaming floor authorized by this Compact during actual hours of operation. Should alcoholic beverages be offered i~~o~~n the gaming ~~floor~~ area pursuant to applicable law, then no patron under the age of twenty-one (21) shall be permitted i~~o~~n the gaming ~~floor~~ area during actual hours of operation. PROVIDED, that such age limitation shall not apply to an individual accompanied by an adult for the specific and limited purpose of proceeding directly and immediately across the gaming area for a legitimate non-gaming purpose, with no gaming area loitering or gaming participation by the under age person or accompanying adult.

P. Prohibition on Firearms. The possession of firearms by any person within a ~~the~~ gaming facility shall be strictly prohibited. Provided, this prohibition shall not apply to authorized agents or officers of the Tribal Gaming Agency, Tribal Law Enforcement Agency, State Gaming Agency, or Federal, State, and Local non-tribal law enforcement.

Q. ~~Conditions. After six months of operation, the State Gaming Agency shall conduct a review of the Class III operation to determine general compact compliance and whether the conditions set for the below have been satisfied. If, as a result of the review, the State Gaming Agency determines that the operation is in compliance with these conditions, the Class III operation may implement "phase two" immediately. If the State Gaming Agency determines that the Class III operation has not satisfied the conditions, any resulting dispute will be resolved through the dispute resolution procedures set forth in Section XIII.B.3.b of this Compact. An increase in the number of gaming stations, hours of operation, or wager limits beyond that initially authorized during "phase one" of the Class III gaming operations shall be conditioned upon the following criteria:~~

~~1. There have been no violations of the provisions of the Compact that have resulted in sanctions imposed by the Federal District Court.~~

~~2. There have been no violations of the Compact which are substantial or would be deemed material due to repetition.~~

~~3. There have been no material adverse impacts on the public safety or welfare of the surrounding communities in the nature of criminal activities directly related to the operations of the Class III gaming facility.~~

~~4. the Tribal Gaming Agency has developed a program of regulation and control demonstrating a level of proficiency sufficient to protect the integrity of the tribal gaming operation, which includes the hiring of trained Tribal Gaming Agents, an independent management and reporting structure separate form that of the Gaming Facility, a system for the reporting of Compact violations, and a consistent presence within the Gaming Facility.~~

R. ~~Renegotiation/Amendment Moratorium. Section III.F., I., J. and K. will not be subject to renegotiation or amendment until January 26, 1998, unless one of the following occurs: (1) the laws of the State are amended, expanding gaming beyond that which is now allowed under the terms of this Compact; (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 participation in a gaming activity that according to the State's position was not authorized for any purpose by any person, organization, or entity at the time this Compact was executed or not authorized by this Compact; (3) the State compacts or otherwise there is authorized any other tribal or non-tribal gaming facility west of the Cascade Mountains to possess greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities, than authorized by the provisions of this Compact; or (4) another tribe East of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior (or procedures approved by the Secretary in lieu of a Compact under 25 U.S.C. 2710(d)(7)(B)(vii) or an alternative provision under any successor act to IGRA), greater levels of wagering, hours of operation, size and or scope of Class III gaming activities, than authorized by the provisions of this Compact and the Tribe can demonstrate that such levels have resulted in a adverse economic impact on the Class III gaming operation; Provided, that the Tribe shall not have to demonstrate an adverse economic impact on its Class III gaming operation if the scope of Class III gaming activities is expanded to include the use of gaming devices, including electronic facsimiles of Class II or Class III gaming, not already authorized by this Compact.~~"

3. Section IV, A and D are amended to read as follows:

"A. Gaming Facilit~~y~~ies. The gaming facilit~~y~~ies authorized by this Compact shall be licensed by the Tribal Gaming Agency and relicensed annually. Verification of this requirement shall be made by the Tribal Gaming Agency and the State Gaming Agency and, as applicable to the satellite wagering facility and operation by the Washington Horse Racing commission, through a joint pre-operation inspection scheduled at lease ten (10) days prior to the scheduled opening to the public. If ~~the~~ a facility does not meet the requirements, the Tribal Gaming Agency, State Gaming Agency and/or Washington Horse Racing Commission as applicable, must send a non-compliance letter within seven (7) working days after completion of the inspection. If the Tribal and State Gaming Agencies do not agree on whether ~~the~~ a facility meets the requirements, the agencies will meet within ten (10) working days from receipt of the non-compliance letter and

work together to resolve concerns. If a dispute regarding this inspection cannot be resolved by the gaming agencies within a reasonable time, the parties may seek resolution pursuant to Section XII.B.3.b.'s final and unappealable arbitration provisions. The reasonable cost of final inspection of the facility by the State Gaming Agency under this section shall be the responsibility of the Tribe.

D. Financiers. Any party extending financing, directly or indirectly, to the gaming facility~~y~~ies or gaming operation shall be subject to the annual licensing requirements of the Tribal Gaming Agency, and shall be required to obtain State certification prior to completion of the financing agreement and annually thereafter. These licensing and certification requirements do not apply to financing provided by a federally regulated commercial lending institution, the Puyallup Tribal government, or the Federal government. However, the source of all funds will be fully disclosed in accordance with IGRA and a copy provided to the State Gaming Agency and, as applicable to the satellite wagering facility and activities, to the Washington Horse Racing Commission."

4. Section VI, A through F are amended to read as follows:

"A. Tribe. The ultimate responsibility for ensuring the regulation, control and integrity of the gaming authorized by this Compact shall be that of the Tribe. The Tribe shall provide for and oversee the following functions:

1. Ensure the enforcement in the gaming operation, including the facilities, of all relevant laws;

2. Ensure that the gaming operation has adequate policies in place for the physical safety of patrons in the establishment;

3. Ensure the physical safety of personnel employed by the establishment.

~~A~~B. Tribal Gaming Agency. The primary responsibility for the on-site regulation, control and security of the gaming operation authorized by this Compact, and for the enforcement of this Compact ~~on the Puyallup Indian Reservation~~, shall be that of the Tribal Gaming Agency, and other tribal agencies as ~~it~~ the Tribe may designate; provided that any other tribal agencies and the scope of their authority shall be disclosed as needed to the State, and that the State may rely on the Tribal Gaming Agency as the coordinating entity and communication link to the State Gaming Agency. As part of its structure, the Tribal Gaming Agency ~~and its designees~~ shall perform the following functions, as related to the regulation and integrity of gaming:

~~1. Enforce in the gaming operation, including the facility, all relevant laws;~~
~~2. Protect the physical safety of patrons in the establishment;~~
~~3. Protect the physical safety of personnel employed by the establishment;~~

~~4~~1. Protect the physical safeguarding of assets transported to and from the gaming facility and cashier's cage department;

~~5~~2. Protect the patrons and the establishment's property from illegal activity;

~~6~~3. Temporarily detain, to the extent of its authority, persons who may be involved in illegal acts for the purpose of notifying the law enforcement activities; and

~~7~~4. Record in a permanent and detailed manner any and all unusual occurrences within the gaming facility. Each ~~incident, without regard to materiality~~ occurrence shall be assigned a sequential number.

~~B~~C. Tribal Gaming Agents/Inspectors. The Tribal Gaming Agency shall employ qualified inspectors or agents ("Tribal Inspectors') under the authority of the Tribal Gaming Agency. Tribal inspectors shall be independent of the Tribal gaming operation, and shall be supervised by and accountable only to the Tribal Gaming Agency or to the Tribal Law Enforcement Agency, if so authorized by the Tribal Gaming Agency. Tribal Inspectors shall not be required to be certified by the State.

~~C~~D. Tribal Reporting of Violations. A Tribal Inspector shall be present in ~~the~~ each gaming facility during all hours of such facility's gaming operation, and shall have immediate access to any and all areas of the gaming operation for the purpose of effectuating compliance with the provisions of this Compact and Tribal Ordinances. Any violation of the provisions of this Compact, or of Tribal Ordinances by the Tribal gaming operation, by a gaming employee, or any person on the premises whether or not associated with the Tribal gaming operation shall be reported immediately to the Tribal Gaming Agency and forwarded to the State Gaming Agency within seventy-two (72) hours of the time the violation was noted.

~~D~~E. Tribal Investigation, Sanctions and State Cooperation. The Tribal Gaming Agency shall investigate any reported violation of the Compact provisions and shall require the Tribal gaming operation to correct the violation upon such terms and conditions as the Tribal Gaming Agency determines are necessary. The Tribal Gaming Agency shall be empowered by Tribal Ordinance to impose fines and other sanctions within the jurisdiction of the Tribe against a gaming employee, or any other person directly or indirectly involved in, or benefiting from, the gaming operation. If requested by the Tribal Gaming Agency, the State Gaming Agency shall assist in any investigation initiated by the Tribal Gaming Agency and provide other requested services to effectuate proper compliance with the provisions of this Contract.

~~E~~F. Other Tribal Reporting. The Tribal Gaming Agency shall forward copies of all completed incident and investigation reports and final dispositions to the State Gaming Agency on a continuing basis.

~~F~~G. Information Sharing Meetings. In an attempt to develop and foster a cooperative relationship in the enforcement of the provisions of this Compact, representatives of the State Gaming Agency; the Tribal Gaming Agency; and the Washington Horse Racing Commission, as applicable, shall meet upon the reasonable request of any of the above parties to review past practices and examine methods to improve the regulatory program created by this Compact. The meetings shall take place at a location selected by the Tribal Gaming Agency. The State Gaming Agency prior to and during such meetings shall disclose to the Tribal Gaming Agency any concerns, suspected activities or pending matters reasonably believed to possibly constitute violations of this Compact by any person, organization or entity, if such disclosure will not compromise the interest sought to be protected."

5. Section VII, B and D are amended to read as follows:

"B. Monitoring. The State Gaming Agency and, as applicable to the satellite wagering facility and activities, the Washington Horse Racing Commission, shall pursuant to the provisions of this Compact have the authority to monitor whether the Tribal gaming operation is conducted in compliance with the provisions of this Compact. In order to properly monitor the Tribal gaming operation, these agents of the State Gaming Agency and the Washington State Horse Racing Commission shall have free and unrestricted access to all areas of each ~~the~~ gaming facility during normal operating hours with or without giving prior notice to the Tribal gaming operation. Provided, that notice shall be given, when possible, so long as such notice does not jeopardize an investigation, to the Tribal Gaming Agency or to a Tribal gaming inspector in the facility, and the Tribal Gaming Agency may assign a Tribal inspector or other representative to accompany the State agent while in a ~~the~~ gaming facility. Following the investigation, and to the extent such disclosure does not jeopardize the investigation or the personal safety of individuals, the State shall provide the Tribal Gaming Agency with a report of the Investigation, including information about evidence gathered in connection with the investigation. Once the threat to the investigation or personal safety of individuals is ended or the investigation is concluded, whichever occurs first, such information shall be provided to the Tribal Law Enforcement or Tribal Gaming Agency.

D. Cooperation With Tribal Gaming Agency. The State Gaming Agency, and the Washington State Horse Racing Commission if appropriate, upon reasonable request shall meet with the Tribal Gaming Agency and cooperate fully in sharing information on all matters relating to the enforcement of the provisions of this Compact and promptly notify the Tribal Gaming Agency of any activity suspected or occurring whether within ~~the~~ a gaming facility or not, which adversely affects the State and Tribal interests relating to the gaming facility and operation but only in the event that such disclosure shall not compromise the interest sought to be protected."

6. Section X, B is amended to read as follows:

"B. Additional Operational Requirements Applicable to Class III Gaming. The following additional requirements shall apply to the Class III gaming operation conducted by the Tribe:

1. The Tribal Gaming Agency shall maintain the following logs as written, or computerized records which shall be available for inspection by the State Gaming Agency in accordance with Section VII.C of this Compact: a surveillance log recording all surveillance activities in the monitoring room of ~~the~~ each gaming facility; a security log recording all unusual occurrences for which the assignment of a Tribal Gaming Agency employee is made.

2. The Tribal Gaming Agency shall establish a list of persons barred from the gaming facility because their criminal history or association with career offenders or career offender organizations pose a threat to the integrity of the gaming activities of the Tribe. The Tribal Gaming Agency shall employ its best efforts to exclude persons on such list from entry into each ~~its~~ gaming facility. The Tribal Gaming Agency shall send a copy of its list on a quarterly basis to the State Gaming Agency.

3. The Tribal Gaming Agency shall require the audit of the Tribal gaming operation, not less than annually, by an independent certified public accountant, in accordance with the auditing and accounting standards for audits of casinos of the American Institute of Certified Public Accountants.

4. The Tribal Gaming Agency shall notify the State Gaming Agency of the rules of each game operated by the Tribe and of any change in such rules. To the extent such rules have been adopted prior to the execution of this Compact they are set forth in Appendix B hereto and shall be deemed approved by the State. Summaries of the rules of each game relevant to the method of play and odds paid to winning bets shall be visibly displayed or available in pamphlet form in each ~~the~~ gaming facility. Betting limits applicable to any gaming station shall be displayed at such gaming station. Rules for games identified in Section III, except as specified in Appendix B, shall be based upon such games as commonly practiced in Nevada, including wagering, as do not fundamentally alter the nature of the game as the Tribal Gaming Agency may approve. Rules for games identified in Section III, except as specified in Appendix B, shall be submitted to the State Gaming Agency for review, to determine if the rules fundamentally alter the nature of the game. The Tribe will provide the State Gaming Agency ten (10) days advance notice of the rules of each game and any modifications thereof, and will provide adequate notice to patrons of each ~~the~~ gaming ~~operation~~ facility to advise them of the applicable rules in effect. In the event of a dispute, the matter will be handled accordance with Section XII.B.3.b.'s final and unappealable arbitration provisions.

5. The Tribal Gaming Agency shall maintain a closed circuit television system for each facility in accordance with the standards set forth in Appendix A, and shall not modify such standards without the agreement of the State Gaming Agency. The Tribal gaming operation shall provide the Tribal Gaming Agency and the State Gaming Agency with copies of its floor plan and closed circuit television system for each facility and any modifications thereof for review. If ~~the~~ a floor plan or closed circuit television system does not provide unobstructed camera views in accordance with such regulations, the Tribal Gaming Agency shall modify such floor plan or closed circuit television system in order to remedy such deficiency. The Tribal Gaming Agency shall forward a copy of ~~the~~ each floor plan and closed circuit television system to the State Gaming Agency for review and consideration prior to final approval. In the event of a dispute, the matter will be handled in accordance with the provisions of Section XII.B.3.b.'s final and unappealable arbitration provisions.

6. The Tribal gaming operation shall maintain a cashier's cage for each facility in accordance with the standards set forth in Section 7(3) of Appendix A, and shall not modify such standards without the concurrence of the State Gaming Agency. The Tribal Gaming Agency and the State Gaming Agency may review cashier's cage security. If ~~the~~ a cashier's cage does not comply with the security standards set forth in Appendix A, the Tribal operation shall modify ~~it's~~ the cashier's cage to remedy such deficiency. In the event of a dispute, the matter will be handled in accordance with provisions of Section XII.B.3.b.'s final and unappealable arbitration provisions.

7. The Tribal gaming operation shall provide the Tribal Gaming Agency and the State Gaming Agency with a description of its minimum requirements for supervisory staffing for each table gaming pit operated in ~~it's~~ a gaming facility. In the event that the State Gaming Agency regards such staffing as inadequate, the Tribal Gaming Agency and State Gaming Agency shall promptly confer in good faith, in an effort to reach agreement on supervisory staffing requirements. If agreement cannot be reached between the State Gaming Agency and

the Tribal Gaming Agency, the dispute shall be handled in accordance with Section XII.B.3.b.'s final and unappealable arbitration provisions.

8. Standards for management and operation of the satellite wagering activities shall be consistent with the provisions of this Compact, including Appendix B, and those applicable to non-tribal satellite wagering facilities and activities in the State to the extent not inconsistent with this Compact."

7. Section XIV, C and D are amended to read as follows:

"C. Emergency Service Accessibility. The ~~Tribal Gaming Agency~~ Tribe shall make provisions for adequate emergency accessibility and service.

D. Community Impact Contribution. The Puyallup Tribe of Indians provides a law enforcement department and participates in a tribal court system to enforce the codes within the Tribe's jurisdiction. Gaming activities and those activities directly and indirectly associated with the operation of a Class III gaming facilities on Puyallup Tribal lands may nevertheless impact State and local governmental services. The Tribe hereby agrees to establish a fund ("Community Contribution Fund" or "Fund") for the purpose of providing assistance to non-tribal emergency services and/or other State or local governmental services (including those agencies responsible for traffic and transportation) materially impacted by the Tribe's Class III gaming ~~facility~~ operations. Two percent (2%) of the Net Win from Class III table games, drop minus payout, shall be contributed to the Fund ~~on a date no later than one year after the opening of the initial facility and~~ every year ~~thereafter~~, unless this payment to the Fund would leave the gaming operation at a loss, in which event ~~this initial~~ the contribution may be provided to the Fund on a pro rata basis, yearly, over a five year period. In no event shall proceeds from the charitable table in Section III.I., Class III gaming revenues, Keno, satellite wagering, sports pools or non-gaming activities be included within the fund.

At least annually, or sooner as determined by the Tribe, the Tribe shall distributed this Fund to State and local governmental service agencies materially impacted by the Class III gaming operations. The Tribe shall retain the exclusive right to make any public statement or announcement regarding the contributions made to or from the Fund.

Monies deposited in the Fund shall be awarded to all State and local governmental service agencies materially impacted by the gaming operation based on evidence of impacts presented by each agency under one of the following systems of distribution as may be decided by a majority vote of the Community Fund Committee. The Community Fund Committee shall consist of eleven (11) votes: five (5) votes by the Puyallup Tribal council or its designees, one (1) vote by the Director of the State Gaming Agency, or his/her designee, one (1) vote by the City of Tacoma Mayor, or his/her designee, one (1) vote by the City of Fife Mayor, or his/her designee, one (1) vote by the City of Puyallup Mayor, or his/her designee, one (1) vote by the Pierce County Executive, or his/her designee, and one (1) vote by a representative from the city in which the Class III facility is located or, if not located within an incorporated city, then by a representative from Pierce County. The composition of this committee may be altered by mutual agreement of the Tribal and State Agencies, if necessary.

1. The committee may meet to review the impact evidence presented by any agency seeking an award and to determine the distribution of awards in accordance with evidence of impacts presented. A majority vote of the Community Fund Committee shall be final and unappealable.

2. Alternatively, the committee set forth above may enter into a Memorandum or Memoranda of Understanding (MOU) delineating the anticipated governmental relationships, responsibilities, services to be provided during one or more of the following years, and the utilization of the funds over one or more years. The MOU(s) will prioritize the disbursements to mitigate off-reservation impacts. The MOU(s) shall also provide that the committee may adjust annually the funds distributed to meet the impacts associated with Class III gaming. Interpretations or disputes that may arise under the MOU(s) shall be decided by a majority vote of the Community Fund Committee which shall be final and unappealable.

In the event that the parties cannot agree on the distribution of the Fund, the Fund shall be placed in an interest bearing escrow account(s) pending agreement by the Community Fund Committee. The Tribe shall be entitled to any interest earned on such funds. If after fourteen (14) months of the date of opening of the Class III facility, funds remain in the escrow account(s) that have not been allocated to any jurisdiction, those funds shall be immediately allocated and disbursed by agreement of a committee made up of the Tribal Chair, the Director of the State Gaming Agency, and a representative from the city in which the Class III facility is located or, if not located within an incorporated city, then a representative from Pierce County.

All funds not disbursed for actual impacts in each fiscal year shall be released for Tribal projects. PROVIDED, that the committee must retain sufficient funds to cover any requests which were tabled or carried over at prior meetings, until the committee votes upon such requests, if any. The committee must also retain any funds that it agreed to set aside for a particular project, if the requesting local agency has not yet started said project.

At any time~~ after one year form the opening of the Class III gaming facility,~~ either the State or the Tribal Gaming Agency may request a reevaluation, and possible reduction or elimination of, the Community Contribution based on fewer than anticipated impacts or other consideration. In the event the State and Tribal Gaming Agencies mutually agree, the Community Contribution shall be reduced at that time concerning all funds not yet disbursed."

8. Section XV, D is amended to read as follows:

"D. Amendments/Renegotiations.

1. Amendments ~~- Mutual~~. ~~Except as set forth in III.R.,~~ ~~t~~The terms and conditions of this Compact may be amended at any time by the mutual and written agreement of both parties. ~~and as provided in this Compact.~~

~~2. Amendments - Contractual. The parties shall amend through renegotiation the number of locations or facilities, wagering limitation, hours of operation, size and/or scope of~~

~~Class III gaming, as set forth in Section III above, upon written notice and request by the Tribe to the State if and when:~~

~~(a) the laws of the State are amended, expanding gaming beyond that which is now allowed under the terms of this Compact or of Compact of other Washington Tribes;~~

~~(b) 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 that permits participation in a gaming activity that was not deemed by the State to be authorized, or was not authorized for any purpose by any person, organization or entity at the time this Compact was executed and was not authorized by this Compact; or~~

~~(c) federal legislation authorizes the operation of or participation in gaming activity that was not authorized at the time this Compact was executed or was not authorized by this Compact.~~

~~3. Renegotiation – Tribe. The parties shall renegotiate the nature and/or scope of Class III gaming as set forth in Section III upon the written notice and request by the Tribe to the State if and when:~~

~~(a) laws in the State are enacted allowing gaming which is now prohibited: or~~

~~(b) the Tribe wishes to engage in forms of Class III gaming other than those games authorized in Section III.~~

~~4. Renegotiation – State. The parties shall renegotiate Compact Sections containing provisions affecting health and safety or environmental requirements, including Sections IV, V, VII, XI or XIV, upon the written notice and request by the State to the Tribe if and when circumstances and events unforeseen at the time of the negotiation and execution of this Compact occur meriting discussion are renegotiation of such provisions. The notice to amend or renegotiate shall include the activities or circumstances the State wishes to negotiate, together with a statement of the basis supporting the request.~~

~~The parties agree that negotiations shall commence in good faith and within thirty (30) days of the request. If the renegotiations are unsuccessful, then the matter shall be resolved pursuant to Section XII.B.3.b's final and unappealable arbitration provisions.~~

~~5~~2. Renegotiation ~~– Either Party. Notwithstanding anything in this Section XV.D to the contrary, at any time after twenty-four (24) months from the date of opening the gaming facility authorized under this Compact, e~~Either the Tribe or the State may request renegotiation of any of the provisions of this Compact if and when circumstances or events occur that merit the discussion and renegotiation of such provisions. ~~Provided, however, this provision does not apply to III.R. Which provides that renegotiation or amendments shall not occur until January 26, 1998.~~ The request to renegotiate shall include the activities or circumstances the party wishes to negotiate, together with a statement of the basis supporting the request. The parties agree that negotiations shall commence in good faith under IGRA and within thirty (30) days of the request. The ~~original~~ current terms and provisions of the Compact will remain in effect unless and until the parties agree on the renegotiated terms.

~~6 .Process and Negotiation Standards. The notices to amend or renegotiate shall include the activities or circumstances to be negotiated together with a statement of the basis supporting the request. If the request meets the requirements of this sub-section proviso, the parties shall confer and required negotiations shall commence within thirty (30) days of the request. All matters involving negotiations or other amendatory process under this Section shall be otherwise governed, controlled and conducted in conformity with the provisions and requirements of 25 USC §2710(d), except in sub-sections where a different resolution is specifically provided in the event of an unsettled dispute or where agreement is not reached by the parties~~

~~7~~3. Authorization to Other Tribes Modifying Scope of Gaming Compact. Notwithstanding any other provision of this Compact to the contrary, ~~if after the signing of this Compact~~ in the event the State enters into or amends an agreement with another tribe ~~or entity located West of the Cascade Mountains~~ and such agreement gives any such tribe more ~~allows more gaming activities than provided under the terms of this Compact (including, but not limited to: more~~ gaming facilities, activities stations, or higher wager limits, more hours of operation, ~~other Class III gaming activities,~~ or any combination thereof than provided under the terms of this Compact, then this Compact shall be amended ~~automatically to maintain equality~~ thereby upon approval and acceptance of any such increases by the Tribe and written incorporation of such amendments to this Compact provided to the State. ~~Provided, either party shall have the right to take the issue to dispute resolution under the provisions of Section XII.B of this Compact if a dispute arises regarding the applicability of this automatic amendment provision to a particular term approved in another compact.~~

~~8. State Authorization of Additional Class III Gaming Activities. In the event the State hereafter authorizes any additional Class III gaming activity, including electronic facsimiles of Class II or Class III gaming, the Tribe shall be authorized to immediately commence conducting such activity prior to completion of the subsequent negotiation as provided in Section XV.D.2, if such activity is conducted in accordance with all of the limitations, regulations and requirements of the State.~~

9. Appendix C is added to the Compact as follows:

Appendix C
Class III Gaming Station Transfer Agreement

This Class III Gaming Station Transfer Agreement ("Agreement") is made and entered into between _____ ("Transferor"), and the Puyallup Tribe of Indians ("Transferee"), and the State of Washington ("State") for purposes of transferring authority and use of Class III Gaming Stations between Tribes which have entered into Tribal-State Compacts for Class III Gaming with the State and as a Memorandum of Understanding between the State and Tribal parties authorizing and memorializing the transfer.

AGREEMENT

1. TRANSFER. Transferor hereby transfers and assigns to Transferee, for the Term set forth below, all of Transferor's Class III Gaming Station authority for the use of _____ Class III Gaming Stations to which Transferor is now or may hereafter become entitled during the Term of this Agreement.

2. TERM. The Term of this Agreement, and all rights and authority granted hereby, shall be from _____, 200_ through _____, 200_, and shall commence at 12:01 AM on the first date entered above and expire at 11:59 PM of the last entered above unless other hours are so specified herein.

3. REPRESENTATIONS AND AGREEMENTS. Transferor represents and agrees that it is or will become at the commencement of the term of this Agreement, capable and authorized to utilize the number of Class III Gaming Stations noted above, that no other grant or transfer of any rights relative to the number of Class III Gaming Stations which would conflict with the authority transferred hereby has occurred or will occur, and that it fully waives and surrenders the right to utilize the number of Class III Gaming Stations noted above for the term of this Agreement. Transferee represents and agrees that it is legally authorized to utilize Class III Gaming Stations and is capable and authorized to accept the transfer of authority herein. State represents and agrees that both Transferor and Transferee are authorized under the terms of valid Tribal-State Compacts to utilize Class III Gaming Stations, and, that upon execution of this Agreement by the parties, Transferor and Transferee may effectuate the transfer of authority for the use of the number of Class III Gaming Stations specified herein for the term of this Agreement.

4. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties as to the legal capabilities and authorizations for the transfer specified herein. No party is relying on any statement, representation or document which is not contained or referenced in this Agreement. Transferor and Transferee may enter into separate agreements related to the utilization of Class III Gaming Stations transferred hereby. PROVIDED, that the terms of such separate agreements shall not affect the legal capabilities and authorizations for the transfer specified herein.

IN WITNESS WHEREOF, the parties hereto have duly executed this Class III Gaming Station Transfer Agreement.

TRANSFEREE TRIBE:

By:_____
Title:_____

PUYALLUP TRIBE OF INDIANS

By: Herman Dillon Sr.
Chairman, Puyallup Tribal Council

STATE OF WASHINGTON:

By:_____
Title:_____

IN WITNESS WHEREOF, the Puyallup Tribe of Indians and the State of Washington have executed this amendment to the compact.

PUYALLUP TRIBE OF INDIANS:

By: Herman Dillon

Herman Dillon, Sr., Chairman
Puyallup Tribal Council

Dated: 5/30/02

STATE OF WASHINGTON:

By: Gary Locke

Gary Locke, Governor

Dated: May 19, 2002

UNITED STATES DEPARTMENT OF INTERIOR

Neal A. McCaleb

Neal McCaleb
Assistant Secretary - Indian Affairs

Dated: JUN 19 2002