Squaxin Island Tribe - State of Washington
Class III Compact Amendment

This amendment is entered into between the State of Washington (hereinafter referred to as the "State) and the Squaxin Island Tribe, a federally recognized Indian tribe (hereinafter referred to as the "Tribe).

Whereas, the State and the Tribe executed a Class III Gaming Compact dated July 27, 1993, which Compact was approved by the Secretary of the Interior and published in the Federal Register; and

Whereas, the State has proposed an amendment to the Compact which the State believes will provide additional flexibility for Class III gaming by the Tribe consistent with what the State deemed to be its public policy of limited gaming;

Whereas, the Tribe enters into this amendment which the Tribe believes will provide basic market opportunities consistent with what the Tribe believes to be the congressional mandate to negotiate in good faith and consistent with the sovereignty of the Tribe,

Now therefore, the State and the Tribe agree to amend the Compact as follows:

(Substitute the foregoing language for each identified section and subsection except as noted:)

I. TITLE

This document shall be cited as "The Squaxin Island Tribe - State of Washington Gaming Compact, as amended."

III. NATURE, SIZE AND SCOPE OF CLASS III GAMING

A. Scope of Class III Gaming Activities. The Tribal gaming operation may utilize in its gaming facility, subject to the provisions of this Compact, any or all of the following Class III activities:

1. Baccarat;
2. Beat My Shake;
3. Beat the Dealer;
4. Blackjack
5. Chemin De Fer;
6. Chuck-a-luck;
7. Craps;
8. 4-5-6;
9. Horses (stop dice);
10. Horse Race;

11. Money-wheel;
12. Satellite (off-track) wagering on horse races, subject to Appendix B;
13. Over/Under Seven;
14. Poker , including Pai-gow;
15. Red Dog;
16. Roulette;
17. Ship-Captain-Crew;
18. Sic-Bo;
19. Sweet Sixteen;
20. Punchboards and Pull Tabs, subject to Appendix B;

G. Size of Gaming Floor. The actual size of the gaming floor devoted to Class III activities within the gaming facility, including floor space used in connection with the conduct of satellite wagering, shall be determined by the Tribe.

H. Number of Gaming Stations. For the initial period, the maximum number of Class III gaming stations authorized for use on the gaming floor within the gaming facility shall be thirty-one (31). Notwithstanding the foregoing, the Tribe has the option to use a total of one additional gaming station within the facility if the proceeds from one (1) of those gaming stations are dedicated to support non-profit organizations and their activities within the State of Washington. For the purpose of the determination of "proceeds" from the non-profit station 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 station is not subject to the community contribution established under Section XIV.C of this Compact. The Tribal Gaming Ordinance shall set forth regulations concerning the types of bona-fide non-profit organizations and/or the types of projects of such organizations which shall be supported by the non-profit station. If the gaming operation has met the conditions set forth in Section III(I)(2) the number of gaming stations may be increased (excluding the non-profit station) to fifty (50). Notwithstanding the foregoing, the Tribe has the option to use a total of two additional gaming stations within the facility if the proceeds from two (2) of those gaming stations are dedicated to support non-profit organizations and their activities within the State of Washington.

I. Wagering Limitations.

1. For the initial period, the maximum wager shall not exceed Two hundred and fifty dollars ($250). If the gaming operation has met the conditions set forth in Section III(I)(2), the maximum wager shall not exceed five hundred dollars ($500).

2. An increase in the authorized number of gaming stations, hours of operation and/or wager limits is conditioned on the following criteria:

a. Continual operations of the Class III gaming facility for any six month period in compliance with (b)(c)(d)(e) and (f) herein.

b. There have been no violation(s) of the provisions of this Compact which have resulted in sanctions imposed by the Federal District Court or the National Indian Gaming Commission;

c. There have been no violations of the Compact which are substantial or, due to repetition, would be deemed material; and

d. 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 operation of the Class III facility.

e. There have been no material violations of Appendix A .

f. The Tribal Gaming Agency has implemented the provisions of Section VI.

4. Notwithstanding anything herein to the contrary, after six (6) months of continual operation of the Class III gaming facility, the Tribal and State Gaming Agencies will review the gaming operation and activities and, if there is no evidence under the conditions set forth in Section III(I)(2) above and no other evidence to indicate that the operation should not expand the number of gaming stations and wager limits, the Tribal and State Gaming Agencies shall authorize an increase in the number of gaming stations and wager limits in conformity with the increases authorized in III.H and III.I above. If the State claims that any of the conditions in III(I)(2) have not been met, the issue shall be subject to the provisions of Section XII. During this dispute resolutions process, the Tribe will be precluded from expansion of gaming stations within the existing facility.

J. Hours of Operation. For the initial period, except as set forth below, the maximum number of operating hours for the gaming operation shall not exceed an average of one hundred twelve (112) hours per week on an annualized basis. If the gaming operation has met the conditions set forth in Section III(I)(2), the maximum number of operating hours for the gaming operation shall not exceed an average of one hundred forty (140) hours per week on an annualized basis. The Tribe may schedule the hours to best meet market conditions and may operate any day of the week. Class III gaming may not be conducted between the hours of 2:00 a.m. and 6:00 a.m., unless there is a written agreement of the Tribal Gaming Agency and the State Gaming Agency after consultation with the Mason County Sheriff, specifying a different four hour closing period. Provided further, upon thirty (30) days written notice to the State Gaming Agency and upon written mutual agreement between the State Gaming Agency and the Tribal gaming Agency, the Tribe may, not more than three (3) times per calendar year, conduct continuous Class III operations for up to seventy two (72) hours.

L. Prohibited Activities. Any Class III gaming activity not specifically authorized in this Compact is prohibited. Unless subsequently authorized by a Federal District Court, the National Indian Gaming Commission or the State, 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 Squaxin Island Reservation or within the gaming facility.

VI. TRIBAL ENFORCEMENT OF COMPACT PROVISIONS

A. 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 Squaxin Island Reservation, shall be that of the Tribal Gaming Agency. The Tribal Gaming Agency will develop a strong program of regulation and control demonstrating an adequate level of proficiency, which includes the hiring of trained Tribal Gaming Agents, and independent regulatory and reporting structure separate from that of the gaming operation or tribal bodies, a thorough and developed system for reporting of Compact violations, and a strong and consistent presence with the Class III facility. As pat of this structure, the Tribal Gaming Agency shall perform the following functions: ...

XV. AMENDMENTS, DURATION AND EFFECTIVE DATE

A. Effective Date. This Compact shall constitute the agreement between the State and the Tribe pursuant to IGRA and shall be amendable and modified only under provisions of the Compact. This Compact or any amendment shall take effect upon publication of notice of approval by the U.S. Secretary of the Interior in the Federal Register in accordance with 25 USC §2710(d)(3)(B).

D. Amendments/Renegotiations.

(Subsections 2 and 3 replace Subsections 2 through 6 inclusive.)

2. Amendments - Contractual. The parties agree that Section III (E), (G), (H), (I) and (J) shall not be amended for three years from the date of signing this first amendment, except as provided herein. The parties shall amend through renegotiation the wagering limitations, hours of operation, size and/or scope of Class III gaming as set forth in Section III (E), (G), (H), (I) and (J) above upon written notice and request by the Tribe to the State if and when:

(a) the laws of the State are amended, including by initiative expanding gaming beyond that which is now allowed under the terms of this Compact;

(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 unappealed decision permitting 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 or is not authorized by this Compact, including the use of gambling devices; or the Tribe wishes to engage in any other forms of Class III gaming other than those games authorized in Section III.

3. Renegotiation - Either Party. The parties shall renegotiate an compact provision other than Section III (E), (G), (H), (I) or (J), which provisions are subject to a three year moratorium with exceptions, if and when circumstances or events occur that merit the discussion and renegotiation of such provisions. 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 terms and provisions of the Compact will remain in effect pending dispute resolution unless until the parties agree on the renegotiated terms. If the renegotiations are unsuccessful, then the matter shall be resolved pursuant to Section XII.C which shall be mandatory and binding.

4. Authorization to Other Tribes. Notwithstanding any other provision of this Compact to the contrary, in the event that the State enters into or amends a compact with another tribe located West of the Cascade Mountains and such agreement gives any such tribe more gaming stations, higher wager limits, more hours of operation, greater number of facilities, different games or any combination thereof, or any other competitive advantage, or with another tribe East of the Cascade Mountains and such agreement gives any such tribe more gaming stations, higher wager limits, more hours of operation, different games or any combination thereof or any other competitive advantage and the Tribe can demonstrate that the gaming activity has resulted in an adverse economic impact on the Class III operation, then this Compact shall be renegotiated and amended to maintain competitive equality with tribes located in the above listed counties.

IN WITNESS WHEREOF, the Squaxin Island Indian Tribe and the State of Washington have executed this first amendment.

THE SQUAXIN ISLAND TRIBE

BY: _____ 1/26/95
David Lopeman
Chairperson
Date

THE STATE OF WASHINGTON

BY: _____ 1-26-95
Mike Lowry
Governor
Date