their efforts attract listed species to their property or increase the numbers or distribution of listed species already on their property.

Section 9 of the Act prohibits take of threatened or endangered species. However, the Service, under limited circumstances, may issue permits to take threatened and endangered wildlife species incidental to, and not the purpose of, otherwise lawful activities.

Christopher T. Jones,

Acting Regional Director, Southwest Region, Albuquerque, New Mexico.

[FR Doc. E7–8164 Filed 4–27–07; 8:45 am]

BILLING CODE 4510–55–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Notice of Availability of Draft Comprehensive Conservation Plan and Environmental Assessment for Big Branch Marsh National Wildlife Refuge in St. Tammany Parish, LA

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability.

SUMMARY: We, the Fish and Wildlife Service, announce that a Draft Comprehensive Conservation Plan and Environmental Assessment (Draft CCP/EA) for Big Branch Marsh National Wildlife Refuge is available for review and comment. The National Wildlife Refuge System Administration Act of 1966, as amended by the National Wildlife Refuge System Improvement Act of 1997, requires the Service to develop a CCP for each national wildlife refuge. This Draft CCP, when final, will describe how we intend to manage Big Branch Marsh National Wildlife Refuge over the next 15 years.

DATES: To ensure consideration, we must receive your comments no later than May 30, 2007.

ADDRESSES: Send your comments or requests for more information to: Charlotte Parker, Natural Resource Planner, 61389 Highway 434, Lacombe, LA 70445; Telephone: 985/882–2029. The Draft CCP/EA may be accessed and downloaded from the Service's Internet Web site: *http://southeast.fws.gov/planning/* under "Draft Documents."

SUPPLEMENTARY INFORMATION: Big Branch Marsh National Wildlife Refuge was established in 1994 and is presently comprised of approximately 18,600 acres of coastal marsh and pine forested wetlands. The purposes of the refuge are to: Provide habitat for a natural diversity of wildlife associated with the marsh of the refuge; provide wintering habitat for migratory waterfowl; provide nesting habitat for wood ducks; provide habitat for non-game migratory birds; and provide opportunities for public outdoor recreation, such as hunting, fishing, hiking, bird watching, and environmental education and interpretation, whenever they are compatible with the purposes of the refuge.

Significant issues addressed in the Draft CCP/EA include: Managing threatened and endangered species, species of concern, targeted species, and other species of Federal responsibility; conserving habitats native to the Lake Pontchartrain Basin; improving refuge visitor programs; increasing public outreach; providing formal environmental education programs; protecting archaeological and historical sites on the refuge; and, purchasing the remaining land inholdings within the established acquisition boundary of the refuge.

Three management alternatives are considered in the Draft CCP/EA. Alternative A continues current management, with no new actions to improve or enhance existing programs. Alternative B, the proposed alternative, emphasizes management of natural resources based on maintaining and improving wetland habitats, monitoring targeted flora and fauna representative of the Lake Pontchartrain Basin, and providing quality public use programs and wildlife-dependent recreational activities. Alternative C focuses on expanding public use activities to the fullest extent possible while conducting only mandated resource protection.

We will conduct the environmental review of this project in accordance with the requirements of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*); NEPA Regulations (40 CFR parts 1500–1508); other appropriate Federal laws and regulations; and our policies and procedures for compliance with those regulations. All comments received become part of the official public record. Requests for such comments will be handled in accordance with the Freedom of Information Act NEPA (40 CFR 1506(f)), and Departmental and Service policies and procedures.

Authority: This notice is published under the authority of the National Wildlife Refuge System Improvement Act of 1997, Public Law 105–57.

Dated: March 13, 2007.

Cynthia K. Dohner,

Acting Regional Director.

[FR Doc. E7–8162 Filed 4–27–07; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of Amendment to Approved Tribal-State Compact.

SUMMARY: This notice publishes the approval of the extension of agreement between the Northern Cheyenne Tribe and the State of Montana concerning Class III gaming, with the incorporated amendments.

EFFECTIVE DATE: April 30, 2007.

FOR FURTHER INFORMATION CONTACT: George T. Skibine, Director, Office of Indian Gaming, Office of the Deputy Assistant Secretary—Policy and Economic Development, Washington, DC 20240, (202) 219–4066.

SUPPLEMENTARY INFORMATION: Pursuant to Section 11 of the Indian Gaming Regulatory Act of 1988 (IGRA), Public Law 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish in the Federal Register notice of the approved Tribal-State compacts for the purpose of engaging in Class III gaming activities on Indian lands.

This amendment extends the term of the compact for 10 years, increases the number of gaming machines, the maximum jackpot on gaming machines and the prize limit on Class III poker, for the Northern Cheyenne Tribe.

Dated: April 19, 2007.

Carl J. Artman,

Assistant Secretary—Indian Affairs.

[FR Doc. E7–8134 Filed 4–27–07; 8:45 am]

BILLING CODE 4310–02–P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of amendment to Approved Tribal-State Compact.

SUMMARY: This notice publishes the Approval of the Tribal-State Compact for Class III Gaming between the Spokane Tribe and the State of Washington.

EFFECTIVE DATE: April 30, 2007.

FOR FURTHER INFORMATION CONTACT: George T. Skibine, Director, Office of Indian Gaming, Office of the Deputy Assistant Secretary—Policy and Economic Development, Washington, DC 20240, (202) 219–4066.

SUPPLEMENTARY INFORMATION: Pursuant to Section 11 of the Indian Gaming Regulatory Act of 1988 (IGRA), Public Law 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish in the **Federal Register** notice of the approved Tribal-State compacts for the purpose of engaging in Class III gaming activities on Indian lands. This Compact effective today authorizes Class III gaming, sets limits for the size and scope of gaming for the Spokane Tribe and clarifies the state's regulatory role.

Dated: April 19, 2007.

Carl J. Artman,

Assistant Secretary—Indian Affairs.

[FR Doc. E7–8136 Filed 4–27–07; 8:45 am]

BILLING CODE 4310–4N–P

DEPARTMENT OF THE INTERIOR

National Park Service

Notice of Availability of a Final Environmental Impact Statement for the General Management Plan, Castillo de San Marcos National Monument

SUMMARY: The National Park Service (NPS) announces the availability of the Final Environmental Impact Statement (FEIS) for the General Management Plan (GMP) for Castillo de San Marcos National Monument, Florida. This document will be available for public review pursuant to Section 102(2)(C) of the National Environmental Policy Act of 1969 and NPS policy in Director's Order Number 2 (Park Planning) and Director's Order Number 12 (Conservation Planning, Environmental Impact Analysis, and Decision-making). The authority for publishing this notice is 40 CFR 1506.6.

The document provides a framework for management, use, and development of the historic site by the NPS for the next 15 to 20 years. The document describes four management alternatives, including a No-Action Alternative and the NPS's preferred alternative. The anticipated environmental impacts of those alternatives are also analyzed. Public comment on the draft plan was considered when preparing the final document.

DATES: The NPS will execute a Record of Decision no sooner than 30 days following the Environmental Protection Agency's notice in the **Federal Register**.

ADDRESSES: Copies of the FEIS and GMP are available from the Superintendent, Castillo de San Marcos National Monument, 1 South Castillo Drive, St. Augustine, Florida 32084; telephone: 904–829–6506. An electronic copy of the document is available on the Internet at *http://parkplanning.nps.gov/*.

FOR FURTHER INFORMATION CONTACT: Contact the Superintendent, Castillo de San Marcos National Monument, at the address and telephone number shown above or David Libman at 404–562–3124, extension 685.

The responsible official for the FEIS is Patricia A. Hooks, Regional Director, Southeast Region, National Park Service, 100 Alabama Street SW, 1924 Building, Atlanta, Georgia 30303.

Dated: March 9, 2007.

Patricia A. Hooks,

Regional Director, Southeast Region.

[FR Doc. E7–8151 Filed 4–27–07; 8:45 am]

BILLING CODE 4312–75–P

DEPARTMENT OF THE INTERIOR

National Park Service

National Register of Historic Places; Notification of Pending Nominations and Related Actions

Nominations for the following properties being considered for listing or related actions in the National Register were received by the National Park Service before April 14, 2007. Pursuant to section 60.13 of 36 CFR Part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded by United States Postal Service, to the National Register of Historic Places, National Park Service, 1849 C St., NW., 2280, Washington, DC 20240; by all other carriers, National Register of Historic Places, National Park Service,1201 Eye St., NW., 8th floor, Washington, DC 20005; or by fax, 202–371–6447. Written or faxed comments should be submitted by May 15, 2007.

J. Paul Loether,

Chief National Register of Historic Places/ National Historic Landmarks Program.

ARKANSAS

Arkansas County

Gillett Jail, Old, 207 Main St., Gillett, 07000440

Benton County

Pea Ridge Commercial Historic District, (Benton County MRA) Pickens St. roughly beT. Greene St. and Davis St. and Curtis Ave. roughly bet. Pike St. and Macintosh St., Pea Ridge, 07000445

Desha County

Dumas Commercial Historic District, South Main St. bet. Choctaw and Waterman Sts., Dumas, 07000446

Independence County

Ruddell Mill Site, Address Restricted, Batesville, 07000434

Jackson County

Tuckerman Water Tower, (New Deal Recovery Efforts in Arkansas MPS) South End of Front St., Tuckerman, 07000443

Jefferson County

Central Texas Gravel Locomotive #210, 1700 Port Rd., Pine Bluff, 07000442 DODX Guard Car #G–56, 1700 Port Rd., Pine Bluff, 07000441

Wabash Alloys Locomotive, 1700 Port Rd., Pine Bluff, 07000444

Miller County

Beech Street Brick Street, Beech St. bet. 14th and 24th Sts., Texarkana, 07000438

Pulaski County

South Main Street Commercial Historic District, South Main St. from 12th St. to 17th St., Little Rock, 07000435

South Main Street Residential Historic District, South Main St. from 19th St. to 24th St., Little Rock, 07000436

Sebastian County

Arkansas 22, Old, Barling Segment, (Arkansas Highway History and Architecture MPS) Mayo Rd, Barling, 07000439

Yell County

Mickles Bridge, (Historic Bridges of Arkansas MPS) Spanning the Petit Jean R., 0.25 mi. N of AR 10 and approx. one mi. W of Yell County Rd. 49, Mickles, 07000437

DISTRICT OF COLUMBIA

District of Columbia

Grant, Ulysses S., School, (Public School Buildings of Washington, DC MPS) 2130 G St. NW, Washington, 07000447

Hayes, Rutherford B., School, (Public School Buildings of Washington, DC MPS) 5th and K Sts. NE, Washington, 07000449

Uline Ice Company Plant and Arena Complex, 1132, 1140, and 1146 3rd St. NE, Washington, 07000448

ILLINOIS

Cook County

Building at 399 West Fullerton Parkway, 399 W. Fullerton Ave., Chicago, 07000456

Rees, Harriet F., House, 2110 S. Prairie Ave., Chicago, 07000458

Steuben Club, The, 188 W. Randolph St., Chicago, 07000457

Ford County

Dunnan—Hampton House, 511 W. Pells St., Paxton, 07000455

Logan County

Hoblit House, 505 N. College Ave., Lincoln, 07000454

McHenry County

Geister, Christian, House, 302 S. Main St., Algonquin, 07000453

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

TAKE PRIDE IN AMERICA

MAR 2 9 2007

Honorable Richard Sherwood
Tribal Chairperson, Spokane Tribe
P.O. Box 100
Wellpinit, Washington 99040

Dear Chairperson Sherwood:

On February 27, 2007, we received the Tribal-State Compact for Class III Gaming between the Spokane Tribe (Tribe) and the State of Washington (State), executed on February 16, 2007. We have completed our review of this Compact and conclude that it does not violate the Indian Gaming Regulatory Act (IGRA), any other provision of Federal law that does not relate to jurisdiction over gaming on Indian lands, or the trust obligations of the United States to Indians. Therefore, pursuant to my delegated authority and Section 11 of IGRA, we approve the Compact. This Compact shall take effect when the notice of our approval, pursuant to Section 11(d)(3)(B) of IGRA, 25 U.S.C. (d)(3)(B), is published in the FEDERAL REGISTER.

Sincerely,

Acting Deputy Assistant Secretary –
Policy and Economic Development

TRIBAL-STATE COMPACT FOR CLASS III GAMING

Between the

SPOKANE TRIBE

and the

STATE OF WASHINGTON

RECEIVED
FEB 27 2007
BUREAU OF INDIAN AFFAIRS
OFFICE OF INDIAN GAMING MANAGEMENT

FEBRUARY 2007

SPOKANE TRIBE
and the
STATE OF WASHINGTON

CLASS III GAMING COMPACT

TABLE OF CONTENTS

Section	Subject Matter	Page
	INTRODUCTION	1
	PARTIES	1
	RECITALS	1
I	**TITLE**	3
II	**DEFINITIONS**	3
III	**NATURE, SIZE, AND SCOPE OF CLASS III GAMING**	6
	A. Scope of Class III Gaming Activities	6
	B. Lottery-type Games	7
	C. Other Class III Games	7
	D. Gambling Devices	8
	E. Authorized Gaming Operation and Facilities	8
	F. Forms of Payment	8
	G. Size of Gaming Floor	8
	H. Number of Gaming Stations, Wager Limitations, and Hours of Operation	8
	I. Ownership of Gaming Facilities and Gaming Operation	8
	J. Prohibited Activities	8
	K. Age Limitations	9
	L. Prohibition on Firearms	9
	M. Regulations and Ordinances Regulating the Operation and Management of the Gaming Operation	9
IV	**LICENSING AND CERTIFICATION REQUIREMENTS**	9
	A. Gaming Facilities	9
	B. Gaming Employees	10
	C. Manufacturers and Suppliers of Gaming Services	10

D. Financiers 11
E. Tribal Application Forms 11
F. Key Personnel List 11
V **LICENSING AND CERTIFICATION PROCEDURES 11**
A. Procedures for Tribal License Applications and State Certification 11
B. Background Investigations of Gaming Employee Applicants 12
C. Background Investigations of Gaming Employees 13
D. State Gaming Agency Certification of Financiers, Manufacturers, and/or Suppliers of Gaming Goods and Services 13
E. Grounds for Revocation, Suspension, or Denial of State Certification 14
F. Right to Hearing for Revocation, Suspension, or Denial of State Certification 15
G. Denial, Suspension, or Revocation of Licenses Issued by Tribal Gaming Commission 15
H. Duration and Renewal of Tribal Issued Licenses, Eligibility Determinations, and State Certifications 15
I. Identification Cards 16
J. Exchange of Tribal Licensing and State Certification Information 16
K. Fees for State Certification 16
L. Fees for Tribal License 16
M. Summary Suspension of Tribal License 16
N. Summary Suspension of State Certification 17
O. Submission to State Administrative Process 17
VI **TRIBAL ENFORCEMENT OF COMPACT PROVISIONS 17**
A. Tribe 17
B. Tribal Gaming Commission 17
C. Tribal Gaming Agents 18
D. Gaming Manager 18
E. Reporting of Violations 18
F. Investigation and Sanctions 18
G. Reporting to State Gaming Agency 18
H. Agency Meetings 18

VII COOPERATIVE ENFORCEMENT OF COMPACT PROVISIONS 19
A. Monitoring of Gaming Operation 19
B. Access to Records 19
C. Tribal Gaming Commission Notification 20
D. Cooperation With Tribal Gaming Commission 20
E. Jurisdictional Issues 20
VIII REGULATORY JURISDICTION RELATING TO ENFORCEMENT OF THE PROVISIONS OF THIS COMPACT 20
IX LAW ENFORCEMENT JURISDICTION RELATING TO GAMBLING 20
A. Investigative Authority 20
B. Jurisdictional Forums 20
C. Federal, Criminal, or Tribal Jurisdiction 21
D. Consent to Application of State Law and Incorporation in Tribal Laws 21
E. Exception to Consent 21
F. Law Enforcement Coordination 21
X ENACTMENT OF COMPACT PROVISIONS 22
A. State Gaming Agency Rules or Regulations 22
B. Tribal Gaming Commission Regulations 22
XI REGULATIONS FOR THE OPERATION AND MANAGEMENT OF THE TRIBAL GAMING OPERATION 22
A. Adoption of Regulations for Operation and Management 22
B. Additional Operational Requirements Applicable to Class III Gaming 22
C. Regulation of Gaming Facilities 24
XII REMEDIES FOR BREACH OF COMPACT PROVISIONS 25
A. Introduction 25
1. Mediation 25
2. Standard Arbitration 26
3. Temporary Resolution – Expedited Binding Arbitration 27
B. Judicial Resolution of Disputes 27
C. Limited Waiver of Sovereign Immunity 28
D. Sanctions and Civil Fines 28
E. Method of Assessment and Payment of Fines 29

XIII TRIBAL REIMBURSEMENT OF REGULATORY FEES AND EXPENSES INCURRED BY THE STATE GAMING AGENCY 30

XIV PUBLIC HEALTH AND SAFETY 31

A. Compliance 31

B. Emergency Service Accessibility 31

C. Impact Mitigation Fund 31

D. Community Relations 32

E. Alcoholic Beverage Service 32

XV AMENDMENTS, DURATION, AND EFFECTIVE DATE 32

A. Effective Date 32

B. Transition Date 33

C. Transition 33
1. Best Efforts 33
2. Commencement of Eligibility Verifications and Certifications 33
3. Access to State Gambling Agency Officials 33

D. Termination 33

E. Other Termination – Change of State Law 33

F. Adjustments/Renegotiations 34
1. Renegotiations 34
2. Process and Negotiation Standards 34
3. Authorization to Other Tribes 34

G. Entire Agreement 35

H. Governing Law 35

XVI LIMITATION OF LIABILITY 35

XVII NOTICES 35

XVIII SEVERABILITY 35

APPENDIX SPOKANE
APPENDIX A – Standards of Operation and Management for Class III Activities
APPENDIX B – Rules Governing Class III Gaming on the Spokane Reservation
APPENDIX X – Rules Governing Tribal Lottery Systems
APPENDIX Y

SPOKANE TRIBE
and the
STATE OF WASHINGTON

CLASS III GAMING COMPACT

INTRODUCTION

THIS COMPACT is entered into pursuant to the Indian Gaming Regulatory Act of 1988, Pub.L. 100-497, codified at 25 U.S.C. Sections 2701-2721 and 18 U.S.C. Sections 1166-1168 (hereafter IGRA or Act).

PARTIES

THIS TRIBAL-STATE COMPACT is made and entered into by and between the Spokane Tribe (hereafter "Tribe"), federally-recognized as an Indian Tribe, possessed of all sovereign powers and rights thereto pertaining; and the STATE OF WASHINGTON (hereafter "State"), as a sovereign state of the United States, with all rights and powers thereto pertaining.

RECITALS

The Tribe and the State recognize and respect the laws and authority of the respective parties; and

The Congress of the United States has enacted into law the Act, Pub. L. 100-497, 25 U.S.C. Sections 2701-2721 and 18 U.S.C. Sections 1166-1168, which provide in part that a tribal-state compact may be negotiated between a tribe and a state to govern the conduct of certain Class III gaming activities on Indian Lands of a Tribe within the state if the gaming activity is not specifically prohibited by federal law and is conducted within a state which does not, as a matter of criminal law and public policy, prohibit such gaming activity; and

The Tribe and the State have negotiated the terms and conditions of this Compact in good faith so as to provide for mutual governmental purposes and to provide a regulatory framework for the operation of certain Class III gaming, which is intended to: (a) ensure the fair and honest operation of such gaming activities; (b) maintain the integrity of all activities conducted in regard to such gaming activities; (c) prevent unsavory and unsuitable persons from having any direct or indirect involvement with gaming activities at any time or in any capacity; (d) establish and maintain responsible accounting practices and procedures; (e) maintain effective control over the financial

practices related to gaming activities, including establishing the minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues and reliable recordkeeping; (f) prevent cheating and fraudulent practices; and (g) protect the health, welfare and safety of the citizens of the Tribe and of the State; and

The Act provides that an Indian tribe may conduct Class III gaming as provided in IGRA; and

The Spokane Tribe and the State of Washington have mutually agreed that the conduct of Class III gaming under the terms and conditions set forth below will benefit the Tribe and protect the citizens of the Tribe and of the State consistent with the objectives of the Act; and

The parties hereto deem it to be in their respective best interests to enter into this Compact; and

A principal goal of federal Indian policy is to promote tribal economic development, tribal self-determination and a strong government to government relationship; and

The State recognizes the Tribe's sovereign rights to control gaming activities on Indian Lands as provided by the Act and this Compact; and

It is the policy of the Tribe to exercise and retain its rights to regulate gaming activities upon its lands and reservation for the purposes of encouraging Tribal employment, economic and social development, and funding of Tribal services while ensuring the fair and lawful operation of gaming and the prevention of corrupt and criminal influences. The Tribe will utilize net revenues generated by gaming per 25 U.S.C. 2710(b)(2)(B) to fund tribal government operations or programs, to provide for the general welfare of the Tribe and its members, to promote tribal economic development, to donate to charitable organizations, or to help fund operations of local government agencies.

This Compact shall govern the licensing, regulation and operation of Class III gaming conducted by the Tribe on Indian Lands located within the State; and

The State and the Tribe are empowered to enter into this Compact due to their inherent power to contract and pursuant to the Indian Gaming Regulatory Act; and

In consideration of the mutual undertakings and agreements hereinafter set forth, the Tribe and the State enter into the following Compact.

I – TITLE

This document shall be referred to as "The Spokane Tribe and the State of Washington Class III Gaming Compact."

II – DEFINITIONS

For purposes of this Compact:

A. "Act" or "IGRA" means the Indian Gaming Regulatory Act, Pub. L. 100-497, 25 U.S.C. Sections 2701-2721 and 18 U.S.C. Sections 1166-1168, and all regulations issued thereunder.

B. "Applicant" means any individual who has applied for a tribal license or state certification whether or not such license or certification is ultimately granted.

C. "Chairperson" means the Chair of the elected, Spokane Tribal Council, the tribal governing body.

D. "Class II Gaming" means all forms of gaming as defined in 25 U.S.C. Section 2703(7).

E. "Class III Gaming" means all forms of gaming as defined in 25 U.S.C. Section 2703(8).

F. "Class II Gambling Device" means any device which the National Indian Gambling Commission (NIGC) has determined by formal ruling or regulation is a permissible computer, electronic, or other technologic aid to a Class II gaming activity.

G. "Compact" means the Spokane Tribe and the State of Washington Compact for Class III Gaming.

H. "Distributor" means an individual who distributes any machines or devices of any kind used for any gaming activity in the gaming facility.

I. "Gambling Device" means any device or mechanism the operation of which a right to money, credits, deposits or other things of value may be created, in return for a consideration, as the result of the operation of an element of chance and any device or mechanism which, when operated for a consideration, does not return the same value or thing of value for the same consideration upon each operation thereof. Notwithstanding the foregoing, "Gambling Device" does not include a "Class II Gambling Device."

J. "Gaming Activities" means the conduct of gaming activities permitted pursuant to this Compact.

K. "Gaming Employee" means any individual employed in the operation or management of gaming in connection with the Tribe's gaming operation or facilities, including whether employed by or when contracted to the Tribe or by or to any person or enterprise providing gaming operation and management services to the Tribe, including but not

limited to, gaming operation managers and assistant managers, accounting personnel, surveillance and security personnel, cashiers, dealers or croupiers, box men, floor men, pit bosses, shift bosses, cage personnel, collection personnel, gaming consultants, pari-mutuel clerks, management companies and their principals, and any person whose employment duties require or authorize access to areas of the gaming facilities related to gaming which are not otherwise open to the public, or to areas designated by the Tribal and State Gaming Agencies.

L. "Gaming Facility or Facilities" means the building(s) in which Class III gaming is conducted as authorized by this Compact.

M. "Gaming Operation" means the Tribe's operation of Class III gaming in any gaming facility in accordance with this Compact.

N. "Gaming Ordinance" means the gaming laws (and including regulations promulgated thereunder) duly adopted by the Tribe and approved by the NIGC in accordance with the Act.

O. "Gaming Services" means the providing of any goods or services to the Tribe, whether on or off site, directly (or indirectly) in connection with the operation of Class III gaming in a gaming facility, including equipment, maintenance or security services for a gaming facility. Gaming services shall not include professional, legal, and accounting services.

P. "Gaming Station" means a gaming table of the same general size and as is commonly used in Nevada for similar games.

Q. "Governor" means the Governor of Washington State.

R. "Indian Lands" means those lands over which the Tribe exercises governmental power that meet the definition of "Indian Lands" as defined in the Indian Gaming Regulatory Act.

S. "Individual" means, but is not limited to, natural persons and business entities including business sole-proprietorships, partnerships, corporations, joint ventures, organizations and associations.

T. "Local Law Enforcement Agency" means the Washington State Patrol, Bureau of Indian Affairs Law Enforcement, Stevens County Sheriff, Lincoln County Sheriff, and any other non-Tribal law enforcement agency in the vicinity of the gaming operation which has jurisdiction to enforce state gaming laws on the Spokane Indian Lands pursuant to the terms of this Compact, and pursuant to a cooperative, mutual aid or cross-deputation agreement approved by the Tribe. Nothing in this definition or in any provision set forth in this Compact is intended to expand, waive, confer or limit any jurisdiction upon any law enforcement agency on the Spokane Indian Lands. If gaming is actually offered for play pursuant to this Compact in Spokane County, then "Local Law Enforcement Agency" shall also include the Spokane County Sheriff.

U. "Gross Gaming Revenue" means the total gaming income less prizes or winnings from a Class III gaming activity.

V. "NIGC" means the National Indian Gaming Commission established pursuant to 25 U.S.C. Section 2704.

W. "Principal" means with respect to any entity: (i) each of its officers and directors; (ii) each of its primary management employees, including any chief executive officer, chief financial officer, chief operating officer, or general manager; (iii) each of its owners or partners, if an unincorporated business; (iv) each of its shareholders who own more than ten percent of the shares of the corporation, if a corporation; and (v) each person other than a banking institution who has provided financing for the enterprise constituting more than ten percent of the start-up capital or operating capital over a twelve month period, or a combination, thereof. For purposes of this definition, where there is any commonality of the characteristics identified in (i) through (iv) above between any two or more entities, those entities shall be deemed to be a single entity.

X. "RCW" means the Revised Code of Washington, as amended.

Y. "State" means the State of Washington, its authorized officials, agents and representatives.

Z. "State Certification" means the process utilized by the State Gaming Agency to ensure that entities required to be certified are qualified to hold such certification in accordance with this Compact.

AA. "State Gaming Agency" means the Washington State Gambling Commission.

BB. "Tribal Council" means the Spokane Tribal Council, which is the elected governing body of the Spokane Tribe.

CC. "Tribal Gaming Commission" means the agency of the Tribe primarily responsible for regulatory oversight of Class III gaming as authorized by this Compact. No employee of the gaming operation may be a member or employee of the Tribal Gaming Commission.

DD. "Tribal Law Enforcement Agency" means the police force of the Tribe, established and maintained by the Tribe, pursuant to the Tribe's powers of self-government, to carry out law enforcement on Indian Lands.

EE. "Tribal Licensing" means the licensing process utilized by the Tribe to ensure all individuals and other entities required to be licensed are qualified to hold such license in accordance with provisions of the Spokane Tribe Gaming Ordinance.

FF. "Tribal Member" means an enrolled member of the Spokane Tribe or an enrolled member of any federally recognized Tribe, provided that for members of other federally recognized Tribes, the Spokane Tribe shall demonstrate that the individual has a significant relationship with the Spokane Tribe.

GG. "Tribe" or "Tribal" means of or stemming from the Spokane Tribe, its authorized officials, agents and representatives acting on the Tribe's behalf pursuant to Tribal law.

HH. "WAC" means the Washington Administrative Code, as amended.

II. "Effective Date" means the date on which notice of approval of this Compact by the Department of the Interior is published in the Federal Register.

JJ. "Transition Date" means the date on which the Chairperson of the Tribal Council has certified to the State Gaming Agency that the Tribe's gaming locations do not include non-compliant machine games and the State Gaming Agency has certified that all gaming locations are otherwise in compliance with this Compact such that the State's and Tribe's obligations thereunder are fully enforceable.

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 facilities, subject to the provisions of this Compact, any Class III activities, which the State of Washington "permits for any purpose by any person, organization, or entity," as the phrase is interpreted in the context of the Indian Gaming Regulatory Act. Unless agreed upon by amendment or other approved Compact modification, the Tribe and State agree that the Tribe may operate the following Class III gaming activities:

1. Baccarat;
2. Beat My Shake;
3. Beat the Dealer;
4. Blackjack;
5. Caribbean Stud;
6. Chemin De Fer;
7. Chuck-a-luck;
8. Craps;
9. 4-5-6;
10. Horses (stop dice);
11. Horse Race;
12. Let It Ride;
13. Money-Wheel;
14. Satellite (off-track) wagering on horse races, subject to Appendix B;
15. Over/Under Seven;
16. Pai-gow;

17. Poker (to the extent not played as a Class II game);

18. Red Dog;

19. Roulette;

20. Ship-Captain-Crew;

21. Sic-Bo;

22. Sports Pools, subject to Appendix B;

23. Sweet Sixteen;

24. Keno

25. Punchboards and pull-tabs (to the extent not played as Class II games), subject to Appendix B;

26. Any pull-tab dispenser (to the extent not played as a Class II game), approved by the State Gaming Agency;

27. Any gambling device as defined under the Johnson Act, which is approved by the State Gaming Agency, as set forth in Appendices Spokane, X, and Y to this Compact; and

28. Any other table game authorized for play in Nevada and played in accordance with applicable Nevada rules, upon 20 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. Lottery-Type Games. For games including keno-type games (other than keno itself), instant tickets, on-line games, or other lottery-type games authorized for play for any purpose by any person, organization, or entity in the State of Washington that are not otherwise treated as Class II gaming in Washington pursuant to 25 U.S.C. Section 2703(7), or have been or are later identified as a Class II game pursuant to federal law, federal regulation, through consensual lawsuit, or by a court of competent jurisdiction interpreting the laws of the State of Washington in a final and unappealable decision, and the Tribe desires to conduct such games within Spokane Indian Lands, the Tribe will submit the proposed rules, manner of regulation and manner of play to the State Gaming Agency at least sixty (60) days prior to the time play shall begin. If the State does not object in writing within sixty (60) days or approves the game, the Tribe may begin offering the game. If a dispute arises between the Tribe and the State with respect to the nature of the game, security issues, rules of play, or training and enforcement associated with regulation, the State and Tribal Gaming Agencies shall meet and resolve the dispute prior to the time play of that game can begin. If the dispute cannot be resolved by the parties through discussion within sixty (60) days after submission by the Tribe, then the Tribe may initiate the dispute resolution provisions of Section XII.

C. Other Class III Games. With respect to any other Class III games similar to, but not included within, those set forth above that would also be authorized for play for any purpose by any person, organization, or entity in the State and which are not otherwise

treated as Class II gaming in Washington pursuant to 25 U.S.C. Section 2703(7), the Tribe shall provide the game's regulations to the State Gaming Agency at least thirty (30) days prior to offering the gaming activity for play. If the State Gaming Agency does not object in writing to the regulations within said thirty (30) days, the Tribe may begin offering the game. If a dispute arises between the Tribe and the State Gaming Agency with respect to issues including but not limited to, the rules of the game, legality of the game, manner of play, or training and enforcement associated with the regulation thereof, the State Gaming Agency and Tribal Gaming Agency shall meet and attempt to resolve the dispute through good faith negotiations prior to offering the gaming activity for play. If either party believes, after such negotiations have commenced, that a resolution by the parties cannot be achieved, then either or both parties shall be entitled to have the dispute resolved pursuant to the dispute resolution provisions of Section XII. Notwithstanding the foregoing, if the State authorizes any other Tribe, person or entity to conduct such game, the Tribe may offer said game under the same rules and manner of play previously approved by the State upon ten (10) days' notice to the Director of the State Gaming Agency. If the State objects to the Tribe's offering of such game, the Tribe shall be entitled to conduct the game in accordance with rules and manner of play previously approved by the State unless and until the State's objections have been resolved in the State's favor.

D. Gambling Devices. Gambling devices shall be governed pursuant to Appendices Spokane, X, and Y to this Compact.

E. Authorized Gaming Operation and Facilities. The Tribe may establish and operate such gaming facilities as are authorized in Appendix Spokane.

F. Forms of Payment. All payment for wagers made in gaming conducted by the Tribe in their gaming operation shall be made by cash, chips or tokens. Chips or tokens may only be purchased using cash, checks, or travelers checks. The gaming operation shall not extend credit, except as set forth in Appendix Spokane.

G. Size of Gaming Floor. The actual gaming floor devoted to Class III activities within each gaming facility shall be determined by the Tribe.

H. Number of Gaming Stations, Wager Limitations, and Hours of Operation. The number of gaming stations, wager limitations, and hours of operation shall be as provided in Appendix Spokane.

I. Ownership of Gaming Facilities and Gaming Operation. The gaming operation, including all gaming facilities, shall be owned by the Tribe. The Tribe may, if it chooses, contract for management of the gaming facilities and gaming operation. Any such contract shall subject the manager to the terms of this Compact, including annual certification and licensing.

J. Prohibited Activities. Any Class III gaming activity not specifically authorized in this Compact is prohibited. The parties understand that the Tribe will continue to operate

Class III gaming activities prior to the transition date of this Compact. The parties mutually agree to pursue a smooth transition without any time that the facilities would be shut down or closed to the public. Such operation prior to the transition date shall not be considered a breach of this Compact.

K. 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. Persons between the age of eighteen and twenty one years of age may patronize and participate in Class III gaming activities offered by the Tribe in its gaming facilities, so long as such patrons do not purchase or consume alcoholic beverages on the premises. 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 underage person or accompanying adult.

L. Prohibition on Firearms. The possession of firearms by any person within the gaming facilities shall be strictly prohibited, and the Tribal Gaming Commission shall post a notice of this prohibition near the entrance to the gaming facilities. This prohibition shall not apply to authorized agents of the Tribal or State Gaming Agencies. This prohibition shall also not apply to local law enforcement agencies authorized by federal law, tribal law or by a cooperative, mutual aid or cross deputization agreement.

M. Regulations and Ordinances Regulating the Operation and Management of the Gaming Operation. The Tribal Gaming Commission or the Tribal Council may, from time to time, adopt, amend or repeal such regulations or ordinances consistent with the policy, objectives, purposes and terms of this Compact as it may deem necessary or desirable in the interests of the Tribe and the State in carrying out the policy and provisions of this Compact. The Tribe has enacted an ordinance regulating the operation and management of the gaming operation.

IV – LICENSING AND CERTIFICATION REQUIREMENTS

A. Gaming Facilities. The gaming facilities authorized by this Compact shall be licensed by the Tribal Gaming Commission in conformity with the requirements of this Compact prior to the transition date or prior to commencement of operation, and annually thereafter to verify its conformity with the requirements of this Compact. The Tribe's operation of Class III gaming activities in the absence of a Tribal-State Compact prior to the transition date of this Compact shall not be considered in the State Gaming Agency's determination of conformity pursuant to this provision. Verification that such requirements have been met shall be made by the State Gaming Agency and Tribal Gaming Commission, through a joint pre-operation inspection scheduled at least thirty (30) days before the transition date of this Compact or thirty (30) days prior to commencement of operation. If a gaming facility fails to meet such requirements the Tribal or State Gaming Agency must send a written and detailed non-compliance letter and report to the Tribe and the manager, if any, within seven (7) working days after

completion of the inspection. If the Tribal and State Gaming Agencies do not agree on whether a gaming facility meets the requirements, the agencies will meet within seven (7) 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 sixty (60) days, the parties may seek resolution pursuant to Section XII of this Compact.

B. Gaming Employees. Every gaming employee shall be licensed by the Tribal Gaming Commission and their eligibility for a license shall be verified by the State Gaming Agency prior to the transition date or prior to commencement of employment, and annually thereafter. Employees of the gaming facilities at the time of the transition shall be verified before working in the gaming facilities subsequent to the transition. Employment at a Spokane Tribal gaming facility prior to the effective date of this Compact shall not be grounds of a letter of ineligibility. The Tribal Gaming Commission may immediately issue a license if the employee has a current State gaming license or Class III gaming certification issued by the State Gaming Agency, or the State Gaming Agency verifies that the prospective employee is in good standing, and the employee consents to disclosure of records to the Tribal Gaming Commission of all information held by the State Gaming Agency. The Tribal Gaming Commission may immediately issue a conditional, temporary license for a period of time no longer than six (6) months when the Tribal Gaming Commission determines that a gaming employee applicant does not pose a significant risk to the public and the gaming operation. The Tribal Gaming Commission shall submit a list of the licensed and temporarily licensed gaming employees to the State Gaming Agency at least annually. The Tribal Gaming Commission shall include the licensee's complete name, aliases, social security number, and date of birth in its submission to the State Gaming Agency. If Class II and Class III table games are combined in the same room in a gaming facility, the parties agree that this could impact the regulatory scheme established under this Compact. In such event, the Class II gaming employees in such room shall be verified by the State Gaming Agency as if they were Class III gaming employees.

C. Manufacturers and Suppliers of Gaming Services. Each manufacturer and supplier of gaming services shall be licensed by the Tribal Gaming Commission and shall be certified by the State Gaming Agency prior to the sale of any gaming services to the Tribe. If a supplier or manufacturer of the gaming services or goods is currently licensed or certified by the State of Washington to supply goods or services to any other tribe in the state, it shall be deemed certified to supply the same goods or services to the Tribe for the purposes of this Compact. The licensing and certification shall be maintained annually after the initial certification. Professional legal and accounting services shall not be subject to the certification and licensing requirements of this Compact. In the event a manufacturer or supplier provides or intends to provide less than $25,000 worth of gaming services or goods annually, the State certification and Tribal licensing requirements may be waived upon the mutual agreement of the Tribal and State Gaming Agency.

D. Financiers. Any party who extends or intends to extend financing, directly or indirectly, to a gaming facility or gaming operation shall be subject to the annual certification and licensing requirements of the State Gaming Agency and the Tribal Gaming Commission. Such party shall be required to obtain State certification prior to completing the financing agreement and annually thereafter as long as the financing agreement is in effect. These licensing and certification requirements do not apply to financing provided by a federally regulated commercial lending institution, the Spokane Tribal government, or the federal government. The party shall fully disclose the source of all funds required to be disclosed under and in accordance with IGRA and the Tribe shall provide a copy of such disclosures to the State Gaming Agency. If a disclosure regards satellite wagering facilities and activities, the Tribe shall also send a copy to the Washington Horse Racing Commission. Nothing herein shall be interpreted as preventing the Tribe from satisfying debts to financiers incurred prior to the transition date of the Compact so long as such financier has no access to the gaming facilities or involvement with any management decisions in the absence of State certification.

E. Tribal Application Forms. All applicants required to be licensed by the Tribe shall complete forms furnished by the Tribal Gaming Commission and shall be accompanied by the application and investigative fees set forth in the Tribe's published schedule of fees. Such application forms shall require, but not be limited to, complete information and details with respect to the applicant's habits, character, Tribal activities, financial affairs, and Tribal associates, covering at least a seven (7) year period immediately preceding the date of filing of the application. In addition, all applicants shall provide information relating to their complete criminal history, as well as all civil or administrative violations of gambling laws or regulations.

F. Key Personnel List. Prior to the transition date and annually thereafter, the Tribe shall provide the State Gaming Agency with information listing personnel who are key personnel in the gaming operation.

V – LICENSING AND CERTIFICATION PROCEDURES

A. Procedures for Tribal License Applications and State Certification. The Tribal Gaming Commission shall be primarily responsible for the conduct of background investigations for all applicants for employee gaming licenses. The State Gaming Agency shall be primarily responsible for the conduct of background investigations for all applicants for gaming financier, manufacturer and/or supplier certification. Each applicant for a Tribal gaming license including employee, financier, manufacturer and/or supplier of gaming goods or services, shall submit the completed application along with the required information and fees to the Tribal Gaming Commission. In addition, each financier, manufacturer and/or supplier of gaming goods or services shall apply for State gaming certification and shall submit the completed application along with the required information and fees to the State Gaming Agency. Each completed application shall include the applicant's fingerprint card(s), current photograph, and any other information required by the Tribal Gaming Commission. For applicants who are business entities, these provisions shall also apply to principals of the entity and their spouses.

B. Background Investigations of Gaming Employee Applicants. Prior to hiring or licensing a prospective gaming employee, the Tribal Gaming Commission shall obtain sufficient information and identification from the applicant on forms to be furnished by the Tribal Gaming Commission to permit a thorough background investigation, together with such fees as may be required by the Tribe. The information obtained shall include, at a minimum, name (including any aliases), current address, date and place of birth, criminal arrest and conviction record, social security number, two sets of fingerprints, sex, height, weight, and two current photographs.

When the Tribal Gaming Commission has completed its initial investigation of the gaming employee applicant, and has issued a temporary license, it will, within five (5) business days, forward the application, a set of fingerprint cards, a current photograph, and the fee required to the State Gaming Agency for a final eligibility verification review, as authorized under RCW 9.46.210(4) and as defined in RCW 10.97.030. The State Gaming Agency shall complete the review and thereafter notify the Tribal Gaming Commission that either: (1) the eligibility verification review has revealed no information which would make the applicant ineligible for employment pursuant to Section V.(E)(1)-(6) of this Compact; or (2) the eligibility verification review has revealed that the applicant is ineligible for employment pursuant to Section V.(E)(1)-(6) of this Compact. An applicant who has been determined ineligible for licensing by the State Gaming Agency after an eligibility verification review will not be licensed by the Tribal Gaming Commission except in conformity with Section V.(E) of this Compact. When the Tribal Gaming Commission has completed its investigation, it will forward its investigative report and the FBI fingerprint check results to the State Gaming Agency. Upon completion of the necessary background investigation, and receipt of the State Gaming Agency notification of eligibility, the Tribal Gaming Commission shall either issue an employee gaming license to the applicant, or deny the application based on criteria set forth in this Compact, Tribal law and regulations. All background materials compiled by the State Gaming Agency in connection with the background investigation of any applicant for tribal licensing or state eligibility verification shall be available to the Tribal Gaming Commission at the State Gaming Agency office upon request, subject to any constraints imposed by the State Gaming Agency's accreditation as a law enforcement agency and status as a member of Law Enforcement Intelligence Unit.

The gaming operation shall not hire or continue to employ a gaming employee, and shall terminate any probationary gaming employee, if the Tribal Gaming Commission determines that the applicant or employee:

1. Has been convicted of any offense related to gambling, or any felony (excluding juvenile convictions) relating to fraud, misrepresentation, deception or theft, within the past ten (10) years. Nothing herein shall be interpreted to prevent the Tribal Gaming Agency and/or the State Gaming Agency from considering such juvenile convictions in a suitability determination, nor shall be interpreted to excuse the applicant of its obligation to disclose juvenile convictions or arrests;

2. Has provided materially false statements or information on his or her employment application or misstated or otherwise attempted to mislead the Tribe or the State with respect to any material fact contained in the employment application;

3. Is a member or associate of organized crime or is of notorious or unsavory reputation; or

4. Has a reputation, habits or associations that might pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods and activities in the conduct of gaming or the carrying on of the Tribal and financial arrangements incidental thereto. It is intended that applicants and employees have the continuing burden to satisfy all doubts as to their fitness. Where doubt remains, an applicant or employee is not entitled to be hired or to remain employed.

Additionally, the Tribal Gaming Commission shall not grant an application for a license unless it is satisfied that:

1. The applicant is of good character, honesty and integrity;

2. The applicant's prior activities, criminal record (if any), reputation, habits, and associations do not pose a threat to the public interest of the Tribe or the State or the effective regulation and control of gaming pursuant to this Compact, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the Tribal and financial arrangements incidental thereto;

3. In all other respects, the applicant is qualified to be licensed or found suitable with the provisions and policies set forth in this Compact; and

4. The applicant has adequate Tribal probity, competence, and experience in gaming.

C. Background Investigations of Gaming Employees. The Tribe and the State Gaming Agency shall retain the right to conduct such additional background investigations of any gaming employee at any time during the term of that person's employment. At any time, any gaming employee who does not establish that he or she satisfies all of the criteria set forth above shall be dismissed.

D. State Gaming Agency Certification of Financiers, Manufacturers, and/or Suppliers of Gaming Goods and Services. Upon completion of the necessary background investigation, the State Gaming Agency shall either issue a gaming certificate to the financier, manufacturer, and/or supplier of gaming services or deny the application based on criteria set forth in this Compact or state law and regulations. The Tribal Gaming Commission shall forthwith provide copies of all gaming licenses issued and gaming license applications denied to the State Gaming Agency. The State Gaming Agency shall similarly forthwith provide copies of all gaming certificates issued and gaming certification applications denied to the Tribal Gaming Commission. If the application for certification is denied, a statement setting forth the grounds for denial shall be forwarded

to the applicant in accordance with the provisions of Chapter 230-50 WAC or as hereafter amended, with a copy forwarded to the Tribal Gaming Commission. The State shall not apply, to any applicant for certification required under this Compact, a more rigorous standard than that actually applied in the approval of State licenses or certification in non-Tribal gaming activities regulated by the State.

E. Grounds for Revocation, Suspension, or Denial of State Certification. The State Gaming Agency may revoke, suspend or deny a State certification under the provisions of RCW 9.46.075, and rules promulgated thereunder, for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to when an applicant or holder of certification or principal of an entity:

1. Is determined to be a person who because of prior activities, criminal record, if any, or reputation, habits and associations poses a threat to the effective regulation of gaming or creates or enhances the chances of unfair or illegal practices, methods and activities being used in the conduct of the gaming activities permitted pursuant to this Compact;

2. Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of a Tribal-State Compact.

3. Has failed to provide any information reasonably required to investigate the application for state certification or to reveal any fact which the applicant or holder knows or should reasonably know or is material to such application, or has furnished any information which is untrue or misleading in connection with such application.

4. Has had a Tribal or State gaming license revoked or denied during the twelve (12) months prior to the date the State Gaming Agency received the application; is currently on probation imposed by any jurisdiction; or has demonstrated a willful disregard or failed to comply with the requirements of any gaming regulatory authority in any jurisdiction, including offenses that could subject the individual or entity to suspension, revocation or forfeiture of any gaming license. For the purpose of reviewing any application for a state certification or for considering the denial, suspension or revocation of any state certification, the State Gaming Agency may consider any prior criminal conduct or current probationary status of the applicant or holder of certification and the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to such cases.

5. Notwithstanding anything herein to the contrary, it shall not be grounds for suspension, revocation or denial for the applicant to have been involved in the operation of Class III gaming activities in the absence of a Tribal/State Compact. Nothing herein prevents the State from suspending, revoking or denying the certification to such an applicant on other grounds.

6. The State Gaming Agency will consult with the Tribal Gaming Commission prior to denying certification to such an applicant who does not meet the criteria for certification. For Tribal members who are applicants for Class III licensing, the

State and Tribal Gaming Agencies may waive, by mutual agreement, through a conditional Tribal license, certain criteria for such tribal members if the waiver does not pose an appreciable risk to the public or the lawful operation of the gaming facilities. If the Tribe can show extenuating circumstances why a tribal member who does not meet all criteria should be further considered for a conditional Tribal license, the Tribal and State Gaming Agencies may agree to a temporary Tribal license, based on specific conditions and a further detailed review of the applicant. Additional fees may be required to maintain a conditional Tribal license, which the Tribe agrees to pay.

F. Right to Hearing for Revocation, Suspension, or Denial of State Certification. Any applicant for State certification or holder of a State certification shall be entitled to notice and a full hearing on any action by the State Gaming Agency which may result in the revocation, suspension, or denial of State certification. The notice and hearing will be conducted in accordance with the procedures contained in the applicable provisions of Chapter 9.46 RCW, Chapter 34.05 RCW and Chapter 230-50 WAC. The State may, at its discretion, defer such actions to the Tribal Gaming Commission. Nothing herein shall prevent the Tribal Gaming Commission from invoking its own disciplinary procedures and proceedings at any time. The Tribe shall have the right to appear and present argument and/or evidence in any hearings held pursuant to this section. Nothing herein shall be interpreted to preclude the Tribe from invoking the dispute resolution provisions of this Compact to challenge a State Gaming Agency decision to revoke, suspend or deny State certification.

G. Denial, Suspension, or Revocation of Licenses Issued by Tribal Gaming Commission. The denial, suspension, or revocation of any Tribal gaming license by the Tribal Gaming Commission shall be in accordance with Tribal ordinances and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of Section V.(E)(1)-(6). The Tribe shall notify the State Gaming Agency of any determination under this paragraph. In the event the State disagrees with the Tribe's licensing determination, the State may submit the matter to dispute resolution pursuant to the provisions of this Compact.

H. Duration and Renewal of Tribal Issued Licenses, Eligibility Determinations, and State Certifications. Any Tribal license, eligibility determination, or State certification shall be effective for one year from the date of issuance unless, in the case of a license or certification, the holder is otherwise revoked or suspended. A licensed or certified employee or entity that has applied for renewal may continue to be employed under the expired Tribal license, eligibility determination, or State certification until the Tribal Gaming Commission or State Gaming Agency takes action on the renewal application or the license or certification is suspended or revoked. Applicants seeking renewal of a license, eligibility determination, or certification shall provide information updating originally submitted information as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the Tribal Gaming Commission or the State Gaming Agency. Additional background investigation shall be required if new information concerning the applicant's continuing suitability or eligibility

for a Tribal license, or a State certification is discovered by either the Tribal or State Gaming Commission. The State shall forward a copy of any updated information to the Tribe, subject to any constraints imposed by the State Gaming Agency's accreditation as a law enforcement agency and status as a member of the Law Enforcement Intelligence Unit. Should any renewal application be denied, the State shall send to the Tribe a copy of the statement sent to the applicant setting forth the grounds for the non-renewal of the certification. In the event the State issues a letter of ineligibility for a renewal applicant, the Tribe may either withdraw the application or submit the matter to dispute resolution. Should a Tribal licensee become ineligible during the twelve (12) month licensure period, as determined from a review by the State, the Tribe may withdraw the application or submit the matter to dispute resolution.

I. Identification Cards. The Tribal Gaming Commission shall require all gaming employees to wear, in plain view, identification cards issued by the Tribal Gaming Commission which include photo, first name and an identification number unique to the individual Tribal license and/or certification which shall include a Tribal seal or signature, and a date of expiration.

J. Exchange of Tribal Licensing and State Certification Information. In an effort to ensure a qualified work force in all areas of Class III gaming, and in all types of gambling authorized under the laws of the State, upon completion of any administrative action or legal proceeding against a Tribal license or State certification, the final disposition shall be forwarded to either the Tribal Gaming Commission or the State Gaming Agency and maintained as part of both agencies' permanent licensing records.

K. Fees for State Certification. The fees for initial and the renewal of State certification shall be determined pursuant to WAC 230-04-119 for service suppliers and WAC 230-04-203 for manufacturers and distributors. Provided, should actual costs incurred by the State Gaming Agency exceed the stated fees, those costs will be assessed to the applicants during the investigation process. Payment in full to the State Gaming Agency will be required prior to beginning the investigation for the issuance of State certification. Notwithstanding any other provision of this Compact, the State Gaming Agency may modify any of the above fees consistent with like fees charged by the State Gaming Agency for non-Compact gaming elsewhere in the State by giving the Tribe sixty (60) days notice of intent to modify fees. Should a dispute arise under this section it shall be resolved pursuant to Section XII of this Compact. The fees for State eligibility verification are set forth in Section XIII.(E).

L. Fees for Tribal License. The Tribal Gaming Commission shall establish the fees for Tribal gaming licenses.

M. Summary Suspension of Tribal License. The Tribal Gaming Commission, pursuant to the laws of the Tribe, may summarily suspend any Tribal license if the continued licensing of a person or entity constitutes an immediate and potentially serious threat to the public health, safety or welfare.

N. Summary Suspension of State Certification. The State Gaming Agency, pursuant to the laws of the State, may summarily suspend any State certification if the continued certification constitutes an immediate and potential serious threat to public health, safety or welfare.

O. Submission to State Administrative Process. Applicants for State certification agree by submitting such application to submit to State jurisdiction to the extent necessary to determine qualification to hold such certification, including all necessary administrative procedures, hearings and appeals pursuant to RCW 9.46, WAC 230-50, and the State Administrative Procedures Act, RCW 34.05.

VI – TRIBAL ENFORCEMENT OF COMPACT PROVISIONS

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; and

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

B. Tribal Gaming Commission. 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 shall be that of the Tribal Gaming Commission. As part of its structure, the Tribal Gaming Commission shall perform the following functions as related to the regulation and integrity of gaming:

1. Ensure the physical safeguarding of assets transported to and from gaming facilities and cashier's cage department;

2. Protect the patrons and the establishments' property from illegal activity;

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 authorities; and

4. Record in a permanent and detailed manner any and all unusual occurrences within each gaming facility. Each occurrence shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:

   (a) the assigned number;

   (b) the date;

   (c) the time;

(d) the nature of the incident;

(e) the person involved in the incident; and

(f) the security department or Tribal gaming employee assigned.

C. Tribal Gaming Agents. The Tribal Gaming Commission shall employ qualified agents. Tribal Gaming Agents shall be independent of the Tribal gaming operation, and shall be supervised and accountable only to the Tribal Gaming Commission.

D. Gaming Manager. The Tribal Council or its designee shall employ the gaming manager. The gaming manager shall serve at the pleasure of the Tribal Council or its designee and shall have overall responsibility for the administrative functions of the Tribal gaming operations. The Tribal Council shall be accountable for actions of the gaming manager in the context of this Compact.

E. Reporting of Violations. A Tribal Gaming Agent shall be present in the gaming facilities during all hours of gaming operation authorized under this Compact, and shall have immediate access to any and all areas of the gaming operation for the purpose of ensuring compliance with the provisions of this Compact and Tribal ordinances. Any violation(s) of the provisions of this Compact, or of Tribal ordinances by the Tribal gaming operation, 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 Commission and forwarded to the State Gaming Agency within seventy-two (72) hours of the time the violation(s) was noted.

F. Investigation and Sanctions. The Tribal Gaming Commission shall investigate any reported, observed or suspected violation of the Compact provisions or applicable law and shall require the Tribal gaming operation to correct the violation upon such terms and conditions as the Tribal Gaming Commission determines are necessary. The Tribal Gaming Commission 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 violation.

G. Reporting to State Gaming Agency. The Tribal Gaming Commission shall forward copies of all completed incident and investigation reports and final dispositions to the State Gaming Agency on a continuing basis. If requested by the Tribal Gaming Commission, the State Gaming Agency shall assist in any investigation initiated by the Tribal Gaming Commission and provide other related investigation services for which the Tribe agrees to reimburse the State Gaming Agency for its costs.

H. Agency Meetings. In order to foster a positive and effective relationship in carrying out and enforcing the provisions of this Compact, representatives of the Tribe (including the Tribal Gaming Commission and the gaming managers) and the State Gaming Agency shall meet at least quarterly during the first year the Compact becomes effective to review past practices and examine methods to improve the regulatory program created by this Compact. After the first year, the parties shall meet at least annually to discuss these

matters. The meetings shall take place at a location mutually agreed upon by the Tribal Gaming Commission and the State Gaming Agency. At least ten (10) days prior to such meetings, the State Gaming Agency and the Tribal Gaming Commission shall disclose to each other and at such meetings any and all suspected activities or pending matters reasonably believed to constitute violations of this Compact by any person or enterprise. Should the Tribe begin operating a satellite wagering facility for horse racing activities, the Washington Horse Racing Commission shall participate in the agency meeting.

VII – COOPERATIVE ENFORCEMENT OF COMPACT PROVISIONS

A. Monitoring of Gaming Operation. The State Gaming Agency shall, pursuant to the provisions of this Compact, have the authority to monitor the Tribal gaming operation to ensure that it is conducted in compliance with the provisions of this Compact. Agents of the State Gaming Agency and, as applicable, the Horse Racing Commission, shall have access equivalent to that exercised by the Tribal Gaming Commission to all areas of the gaming facility during all normal operating hours with or without giving prior notice to the Tribal gaming operation. 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 Commission with a report of the investigation, including information about evidence gathered in connection with the investigation. In no event shall the Tribe have access to identifying information regarding confidential informants. State agents shall provide proper identification at the time of inspection to the appropriate Tribal representatives. The Tribal Gaming Commission and the State Gaming Agency shall establish protocol that allows the Tribal Gaming Commission to confirm that the alleged State agent is duly authorized by the State to monitor the Tribal gaming operation.

B. Access to Records.

1. Agents of the State Gaming Agency shall have equal authority with the Tribal Gaming Commission to review and copy, during all operating hours, all applicable Class III gaming records maintained by the Tribal gaming operation. However, the State Gaming Agency is mindful of the Tribe's desire for privacy, and agrees to examine all records at the gaming facilities, to the extent practical. The State Gaming Agency further agrees that its agents will only retain copies of records necessary for investigative purposes. Any information derived therefrom shall be deemed strictly confidential and proprietary financial information of the Tribe. Subject to the requirements of Section VII.(B)(2) below, or any court order, such information shall be retained by the State Gaming Agency in its contractual capacity as a signatory to this Compact solely pending its full review process. All copies taken shall be returned to the Tribe immediately after use by the State Gaming Agency unless otherwise provided pursuant to the Compact.

2. The State Gaming Agency or, as applicable, the Washington Horse Racing Commission, shall notify the Tribe, by certified mail, or by other mutually agreed upon means, of any requests for disclosure of Tribal information and shall not

disclose any such information until the Tribe, the State, or both have had a reasonable opportunity to challenge the request.

C. Tribal Gaming Commission Notification. At the completion of any inspection or investigation, copies of the investigative report shall be forwarded to the Tribal Gaming Commission along with copies of evidence and information pertinent to the inspection.

D. Cooperation With Tribal Gaming Commission. The State Gaming Agency and, as applicable, the Washington Horse Racing Commission, shall promptly notify the Tribal Gaming Commission of any activity suspected or occurring, whether within a gaming facility or not, which adversely affects State, Tribal or public interests relating to the gaming facilities and gaming operation. Provided, such disclosure shall not compromise the interest sought to be protected.

E. Jurisdictional Issues. Except as expressly set forth herein, and then only to the extent expressly set forth herein, the terms of this Compact do not constitute a waiver of sovereign immunity by either party and any such waiver is and shall be deemed to be only a limited waiver solely for the purposes set forth in this Compact. Nothing in this Compact is intended to create any State or other non-Spokane Tribe entity jurisdiction with respect to non-gaming related activities on the Spokane Indian Reservation. The terms of such limited waiver of sovereign immunity shall be strictly construed.

VIII – REGULATORY JURISDICTION RELATING TO ENFORCEMENT OF THE PROVISIONS OF THIS COMPACT

Jurisdiction. The Tribal Gaming Commission, State Gaming Agency, and with respect to the satellite wagering and activities only, the Washington Horse Racing Commission, shall have concurrent jurisdiction to investigate violations of the provisions of this Compact.

IX – LAW ENFORCEMENT JURISDICTION RELATING TO GAMBLING

A. Investigative Authority. The Tribal Gaming Commission, Tribal Law Enforcement Agency, Local Law Enforcement Agencies, the State Gaming Agency and, as applicable to the satellite wagering and activities only, the Washington Horse Racing Commission, shall have the authority to investigate any violations of Chapter 9.46 RCW or Chapter 67.16 RCW and such other crimes as are associated with the violations of those chapters that occur on Spokane Indian Lands, subject to the jurisdiction of the Spokane Tribe. Except as expressly set forth in this Compact, nothing herein shall be or be deemed to be a consent, grant or waiver of any sovereign right or immunity of the Tribe with respect to the Tribe, the Spokane Indian Reservation, members of the Tribe, or any other individuals or entities subject to Tribal jurisdiction.

B. Jurisdictional Forums. Following investigation and arrest, formal criminal charges against individuals or entities shall be brought in the appropriate venue. Criminal prosecution of non-Indian defendants shall be in state or federal court. Criminal prosecution of Tribal members or enrolled members of other tribes shall be in Spokane

Tribal or federal court or, where permitted under law in effect upon the execution of this Compact, in state court. Spokane Tribal Court shall be the preferred venue whenever possible for prosecutions for criminal defendants who are Indian unless the Tribe declines to exercise its jurisdiction within six months of apprehension by a law enforcement agency and receipt by the Tribal Prosecuting Attorney of all relevant information in the possession of the apprehending agency. The Tribe agrees to cooperate with the State in any criminal investigation conducted pursuant to this subsection and to provide any information in the Tribe's possession relative to a criminal proceeding being conducted by the State.

C. Federal, Criminal, or Tribal Jurisdiction. Nothing contained herein shall be deemed to modify or limit existing federal, criminal, or tribal jurisdiction over the gaming operation negotiated under this Compact or over individuals who commit gaming-related offenses.

D. Consent to Application of State Law and Incorporation in Tribal Laws. Upon the effective date of the Compact, for the purposes of 18 U.S.C. Section 1166(d), for enforcing the provisions of this Compact with respect to certification and criminal conduct, for protection of the public health, safety and welfare, and to the extent not inconsistent with other provisions of this Compact, RCW 9.46.0335, 9.46.071, 9.46.075, 9.46.140, 9.46.155, 9.46.160, 9.46.170, 9.46.180, 9.46.185, 9.46.190, 9.46.196, 9.46.1961, 9.46.1962, 9.46.198, 9.46.210, 9.46.215, 9.46.220, 9.46.221, 9.46.222, 9.46.231, 9.46.235, 9.46.240, and 67.16.060, as now or hereinafter amended, to the extent such amendments concern the same subject matter as the old statutory provision, shall be applicable and incorporated herein as part of this Compact. The Tribe is in material breach of this Compact if Tribal law regarding any Class III gaming does not contain substantially similar provisions. Provided, that in the event any such provisions of State law are amended or repealed, the State Gaming Agency will give the Tribe notice of same within thirty (30) days of the date such change in law goes into effect. The State agrees that activities conducted in conformity with this Compact shall not be deemed to be a violation of such statutory sections referenced herein. Notwithstanding provisions herein to the contrary, any penalty or fine contained in State statutory provisions incorporated into this Compact or the Tribe's gaming ordinance which are in conflict with applicable federal law shall be deemed revised and amended so as to conform to federal law.

E. Exception to Consent. Except for the concurrent jurisdiction of the State with respect to gaming on the Spokane Indian Reservation contained in this section and elsewhere for acts of individuals, nothing in this Compact shall be deemed a consent or submission of or by the Tribe to the concurrent jurisdiction and/or application of any other laws of the State.

F. Law Enforcement Coordination. In an attempt to foster a spirit of cooperation between the law enforcement agencies authorized to enforce the criminal laws of the State or the Tribe, and those laws affecting the public health, safety and welfare of the surrounding communities, representatives of those law enforcement agencies shall meet prior to the

effective date and periodically thereafter, to discuss mutual concerns and coordinate the enforcement actions necessary to minimize those concerns.

X – ENACTMENT OF COMPACT PROVISIONS

A. State Gaming Agency Rules or Regulations. Pursuant to its general rule making authority contained in Chapter 9.46 RCW, the State Gaming Agency may enact as part of its rules or regulations governing gambling, all or part of the provisions of this Compact.

B. Tribal Gaming Commission Regulations. Pursuant to its general rule making authority, the Tribal Gaming Commission may enact as part of its regulations governing gambling, all or part of the provisions of this Compact.

XI – REGULATIONS FOR THE OPERATION AND MANAGEMENT OF THE TRIBAL GAMING OPERATION

A. Adoption of Regulations for Operation and Management. The Tribal Gaming Commission shall adopt regulations to govern the operation and management of the gaming operation conducted under the authority of this Compact. Any regulations adopted by the Tribe shall ensure that the interests of the Tribe and the State relating to Class III gaming are preserved and protected. The regulations shall maintain the integrity of the gaming operation and shall reduce the dangers of unfair or illegal practices in the conduct of the Class III gaming operation. The initial regulations to govern the operation and management of the Tribal gaming operation shall be the standards set forth in Appendix A and are approved by the State Gaming Agency. The Tribal Gaming Commission shall notify the State Gaming Agency of any intent to revise the standards set forth in Appendix A or of any other regulations issued thereafter and shall request the concurrence of the State Gaming Agency for such revisions. The State Gaming Agency concurrence shall be deemed granted unless disapproved in writing within thirty (30) days of submission of the revised standards. The State Gaming Agency shall concur with the proposed revisions upon request, unless it finds that they would have a material adverse impact on the public interest in the integrity of the gaming operation, and shall disapprove only such portions of the proposed revised standards which are determined to have a material adverse impact upon such interests. If the State Gaming Agency disagrees with the proposed revised standards, it shall set forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the parties shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section XII of this Compact.

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

1. To ensure integrity, the Tribal gaming operation 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 (B) of this Compact: a surveillance log recording all surveillance activities in the monitoring room of the

gaming facilities; a security log recording all unusual occurrences that require an evaluation, investigation, or other decision making process by a Tribal Gaming Agent.

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

3. At the close of the fiscal year (commencing with the current Tribal fiscal year), the Tribal Gaming Commission shall require an independent certified public accountant to audit the books and records of the Tribal gaming operation in accordance with Generally Accepted Accounting Principles (GAAP). The Tribal Gaming Commission shall require the audit of the Tribal gaming operation, not less than annually, by an independent certified public accountant. The audit shall be completed within one hundred twenty (120) days after the close of the fiscal year. Upon completion of the audit, the Tribe shall notify the State Gaming Agency that the audit reports and management letters are available for on-site review. In addition, the Tribe shall deliver to the State Gaming Agency a copy of the addendum to the annual independent audit, as required by Section 2.(C) of Appendix Spokane to this Compact, and shall make copies of all current internal accounting and audit procedures available to the State upon written request.

4. Independent Compliance Audit. The State Gaming Agency shall be supplied with the federally required Independent Compliance Audit annually as is submitted to the NIGC by the Tribe. In the event the State Gaming Agency has a concern with the federally required Independent Compliance Audit, the State Gaming Agency shall notify the Tribal Gaming Commission in writing and then a joint effort between the State Gaming Agency and the Tribal Gaming Commission shall take place in the selection of an independent auditor. Copies of the results of the Compliance Audit shall be submitted to both gaming agencies within ten (10) days of completion if possible.

5. Rules of the Games. The Tribal Gaming Commission shall notify the State Gaming Agency of the rules of each game operated by the Tribe and of any change in such rules. 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 the gaming facilities. Betting limits applicable to any gaming station shall be displayed at such gaming station. Rules for games identified in Section III.(A), except as specified in Appendix B, shall be based upon such games as commonly practiced in Nevada, including wagering, that does not fundamentally alter the nature of the game as the Tribal Gaming Commission may approve. Rules for games identified in Section III.(A), 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. In the event the State Gaming Agency has concerns in regard to a change in the rules, it shall submit such concerns to the Tribal Gaming Commission for its review and comment. The Tribe will provide the State Gaming Agency with ten (10) days advance notice of the rules of each game and any modification thereof, and will provide adequate notice to patrons of the gaming facilities to advise them of the applicable rules in effect. In the event of a dispute, the matter will be handled in accordance with Section XII of this Compact.

C. Regulation of Gaming Facilities. The following requirements shall apply to the gaming facilities maintained by the Tribe, or its manager, or management company, if any:

1. The gaming operation shall maintain a closed circuit television system in accordance with the regulations set forth in Appendix A, and shall not modify such regulations without the agreement of the State Gaming Agency. The gaming operation shall provide the Tribal Gaming Commission with copies of its floor plan and closed circuit television system and any modifications thereof for review by the Tribal Gaming Commission. If the floor plan or closed circuit television system does not provide unobstructed camera views in accordance with such regulations, the Tribal Gaming Commission shall modify such floor plan or closed circuit television system in order to remedy such deficiency. The Tribal Gaming Commission shall forward a copy of the 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.

2. The gaming operation shall maintain a cashier's cage 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 Commission and the State Gaming Agency may review cashier's cage security. If the cashier's cage does not comply with the security standards set forth in said Appendix, the gaming operation shall modify its 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.

3. The gaming operation shall provide the Tribal Gaming Commission and the State Gaming Agency with a description of its minimum requirements for supervisory staffing for each table gaming pit operated in its gaming facilities, and in the event that the State Gaming Agency regards such supervisory staffing as inadequate, the Tribal and State Gaming Agencies shall promptly confer in good faith in an effort to reach agreement on supervisory staffing requirements. If agreement cannot be reached between the State and Tribal Gaming Agencies, the dispute shall be handled in accordance with Section XII of this Compact.

4. 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.

XII – REMEDIES FOR BREACH OF COMPACT PROVISIONS

A. Introduction. In recognition of, and consistent with, the government-to-government relationship of the Tribe and State, the parties shall make their best efforts to resolve disputes by good faith negotiations whenever possible. Therefore, the parties hereby establish a method of non-judicial dispute resolution in order to foster a spirit of cooperation and efficiency in the administration and monitoring of performance and compliance by each other with the terms, provisions and conditions of this Compact. However, the parties understand that informal and formal mediation may not always lead to satisfactory results. Therefore, in the event either party is dissatisfied with informal and/or formal mediation, they may seek judicial resolution of any disagreement relating to the administration, monitoring of performance and compliance with the terms, provisions and conditions of this Compact; provided, however, the parties are free under this Compact to agree to other alternative dispute resolution mechanisms, such as, but not limited to, binding arbitration. The parties are aware that some sections of this Compact contain an explicit reference to Section XII in the event a dispute arises under that section. Notwithstanding such explicit references, and with respect to all other sections of this Compact, it is the parties' intent that any dispute of whatever kind, type or nature arising under this Compact shall be subject to the provisions of Section XII.

1. Mediation. In the event of a dispute or disagreement between the parties regarding the implementation and compliance with any terms, conditions, and provisions of this Compact, or otherwise by mutual agreement of the parties, disputes shall be resolved as follows:

   (a) Either party shall give the other, as soon as possible after the event giving rise to the concern, written notice setting forth the nature of the dispute (including reference to the relevant portions of this Compact), and the issues to be resolved.

   (b) The parties shall meet and confer in a good faith attempt to resolve the dispute through negotiation not later than ten (10) business days from receipt of the notice.

   (c) If the dispute is not resolved to the satisfaction of either party within twenty (20) business days of the first meeting, then the parties, by agreement, may seek and cause to have the dispute resolved by formal mediation, in which event the parties shall use their best efforts to select a mediator as soon as possible. The mediator's fees and attendant costs of mediation shall be borne equally by the parties.

2. Standard Arbitration

(a) In the event informal and/or formal mediation fails to resolve the dispute between the parties, the parties may choose by agreement to resolve the dispute by arbitration. In no event may the request be made earlier than twenty (20) days after a party has properly notified the other party under the procedures set forth in Section XII.(A)(1).

(b) If the parties agree, arbitration shall be conducted in accordance with the policies and procedures of the Commercial Rules of Arbitration of the American Arbitration Association (except as modified hereinafter), unless the parties agree to use different policies and procedures; provided, however, the arbitration itself shall not be administered by or proceed before the American Arbitration Association. Sites for such arbitrations shall alternate between Spokane Indian Lands and the State Gaming Agency or Washington Horse Racing Commission offices after each arbitration dispute, as follows: the first arbitration dispute, until completed, shall be held on Spokane Indian Lands; the next arbitration dispute, until completed, shall be held at the State Gaming Agency or Washington Horse Racing Commission offices; and so forth.

(c) In the event the parties agree to arbitration, the Tribe and the State Gaming Agency shall, within five (5) days, agree upon an arbitrator to decide the matter at issue, or agree upon a procedure for the selection of an arbitrator.

(d) The arbitration, unless another date is stipulated to by the parties, shall occur no later than fourteen (14) business days from the date an arbitrator is named. The arbitrator may, in his or her discretion, impose a case management schedule on the parties to provide for reasonable time needed for discovery, fact gathering, expert witnesses, etc. Time periods shall be reasonable and necessary as required by the circumstances, without providing undue delay. In all circumstances, however, the Arbitrator shall issue a final decision no later than one (1) year from the initial written request for arbitration. The parties may, by mutual agreement, continue the mediation process set out in Section XII.(A)(1) until the arbitration begins.

(e) The decision of the arbitrator shall be final for the purpose of concluding the non-judicial phase of the arbitration process, but the final decision of the arbitrator shall be subject to judicial review pursuant to the provisions of Sections XII.(A)(2)(i) and/or XII.(B).

(f) The arbitrator shall, consistent with this Compact, have the power to impose fines and award equitable relief in his or her discretion and as the circumstances warrant. In no event may the arbitrator award monetary relief against the State or against assets of the Tribe other than revenue from the gaming facility or from the sale of gaming-related assets.

(g) Nothing in this section shall be construed to preclude, limit or restrict the ability of the parties to pursue, by mutual agreement, alternative methods of dispute resolution, including but not limited to, utilization of a technical advisor to the Tribal Gaming Commission and State Gaming Agency; provided that neither party is under any obligation to agree to such alternative method of dispute resolution.

(h) Each party to the arbitration shall bear its own costs and attorney fees, and the costs of the arbitrator(s) shall be borne equally by the parties.

(i) In the event the parties agree to conduct arbitration, or either party seeks a temporary resolution through expedited binding arbitration pursuant to XII.(A)(3), either the Tribe or the State may bring any cause of action against the other authorized by the Federal Arbitration Act (FAA), 9 U.S.C. Sections 1-16, but only in any United States district court which has jurisdiction over the subject matter and the parties and is the proper venue for the cause. Such suits shall be limited to actions (a) to compel arbitration, (b) to confirm, vacate or modify an arbitration award obtained under this section in accordance with the FAA, (c) to enforce any judgment upon such confirmed or modified award, and (d) any other action, if any, authorized by the FAA.

3. Temporary Resolution – Expedited Binding Arbitration

(a) At any time not earlier than twenty (20) days from the notifying of a party under the procedures set forth in Section XII.(A)(1) and not later than thirty (30) days after the initiation of arbitration pursuant to Section XII.(A)(2) or judicial resolution pursuant to XII.(B), either party may also make a written request for expedited binding arbitration to obtain a temporary resolution pending a decision from the formal arbitration process set forth in Section XII.(A)(2) above.

(b) The parties shall select a different arbitrator for the expedited proceedings and shall schedule an arbitration date in the same manner as provided for in Section XII.(A)(2)(b) & (c).

(c) The arbitrator shall render a binding decision within five (5) days of the arbitration date, which shall have full force and effect until a decision is issued pursuant to the formal arbitration process.

(d) In proceedings under this subsection, there shall be no presumption given to either party in disputes over interpretation of the terms of this Compact, or disputes over a regulatory decision made by the State Gaming Agency or by the Tribal Gaming Agency.

B. Judicial Resolution of Disputes. In the event either party has exhausted the procedures set forth in Section XII.(A)(1) and (2), or more than twenty (20) days have passed since the complaining party has properly notified the other party under the procedures set forth

in Section XII.(A) (1), and the complaining party is not satisfied with the results obtained, said party may initiate litigation in an appropriate United States district court to enforce compliance with or interpretation of the terms, provisions and conditions of this Compact, and for any other relief the United States district court is empowered to grant.

C. Limited Waiver of Sovereign Immunity. The Tribe and the State agree and understand that waivers of sovereign immunity defenses must be express and unambiguous, and are narrowly construed. Nothing contained in this Compact shall be construed or interpreted to be a consent, grant or waiver of any sovereign right or immunity either the Tribe and/or its members or the State enjoy, except as expressly provided hereinafter:

1. The Tribe hereby agrees to a limited waiver of sovereign immunity for the sole purpose, and no other purpose, of consenting to the suits specified in Sections XII.(A)(2)(i) and (B) of this Compact, such waiver to be in effect only so long as this Compact is in effect, but in no event shall the limited waiver be construed to allow for monetary relief against assets of the Tribe other than revenue from the gaming facility or from the sale of gaming-related assets.

2. The State and the State Gaming Agency represent and acknowledge that the State has waived its sovereign immunity with respect to suits interpreting or enforcing any contract to which the State and/or its subordinate agencies has entered into with a private party, which includes an Indian tribe. See RCW 4.92.010 and Architectural Woods, Inc. v. Washington, 92 Wash. 2d 521, 598 P.2d 1372 (Wash. 1979). In addition, the State and the State Gaming Agency represent and acknowledge that the State has waived its immunity from those suits set forth in Substitute Senate Bill 5905, 57th Legislature, 2001 Regular Session. Notwithstanding such statutory waivers of immunity, the State hereby reiterates and agrees to a limited waiver of sovereign immunity for the sole purpose, and no other purpose, of consenting to the suits specified in Sections XII.(A)(2)(i) and (B) of this Compact, and any other suits set forth in Substitute Senate Bill 5905, 57th Legislature, 2001 Regular Session, such waivers to be in effect only so long as this Compact is in effect.

D. Sanctions and Civil Fines. The following is a schedule of civil fines for any violation of the provisions of this Compact. These penalties are set forth as maximums to be set within the reasonable discretion of the Tribal Gaming Commission. The Tribal Gaming Commission may levy fines against the gaming operation, manufacturer, supplier, gaming employee or other entities. The State Gaming Agency shall notify the Tribal Gaming Commission of any alleged violations of the provisions of this Compact and may request the Tribal Gaming Commission take appropriate enforcement and/or corrective action. Failure of the Tribal Gaming Commission to take the action recommended by the State Gaming Agency shall constitute a dispute or disagreement between the parties subject to the dispute resolution provisions contained in this Section XII of this Compact. Any penalties collected shall be distributed to a non-tribal, bona fide nonprofit or charitable organization in the state of Washington selected by the Tribe.

1. For violation of terms, conditions, and provisions of Section III:

   (a) First and subsequent violations: Up to a maximum suspension of gaming operations within the Class III gaming facility not to exceed one hundred (100) hours of operation per violation, or the dollar equivalent of the Gross Gaming Revenue to the Tribe from operations for the number of days of suspension, all not to exceed thirty (30) days.

2. For violations of the terms, conditions, and provisions of Sections IV and V, non-licensed gaming employee(s), manufacturer(s), supplier(s) or other entities:

   (a) For employees:

      (1) first violation: fine equal to daily Gross Gaming Revenue for each day of employment divided by the number of gaming stations in play for each day of employment; and

      (2) for the same employee's second and subsequent violations: suspension of twenty (20) hours of gaming operations for each day of employment or a fine equal to the Gross Gaming Revenue for each day of employment.

   (b) For manufacturers, suppliers and other entities:

      (1) first violation: up to $5,000; and

      (2) second and subsequent violations: up to $20,000.

3. For violation of the terms, conditions, and provisions of Section XI and Appendix A:

   (a) For first violation: written warning.

   (b) For second violation: up to $250.

   (c) For third violation: up to $500.

   (d) For subsequent violations: up to $1,000.

All penalties listed in this Section XII.(B)(3)(a)-(d) will be charged and monitored on a per-violation basis on an annual basis per violator dating from the issuance of the written warning. Provided, during the first six (6) months of actual operation subsequent to the transition date, only written warnings shall be issued.

E. Method of Assessment and Payment of Fines. Any civil fines assessed by the Tribal Gaming Commission pursuant to the provisions of this Compact shall be paid within thirty (30) days of assessment. In the event a dispute arises with regard to this subsection, it will be resolved pursuant to Section XII of this Compact.

XIII – TRIBAL REIMBURSEMENT OF REGULATORY FEES AND EXPENSES INCURRED BY THE STATE GAMING AGENCY

The State and Tribe agree that the reasonable and necessary costs of state oversight of the regulation of the Tribe's Class III gaming activities should be paid by the Tribe. To best approximate such costs, the parties agree to assessment and payment of fees, as follows:

A. The Tribe shall pay a one-time, up-front fee to reflect capital costs incurred to establish the state lab, in the amount of $8,803. This fee shall be payable within five (5) days of the transition date.

B. The Tribe shall reimburse the State for the hours directly related to the pre-operational inspection of the gaming facilities, which is required pursuant to Section IV of this Compact. This fee shall be paid within thirty (30) days after receipt of the State Gaming Agency's detailed statement.

C. Following the transition date, the Tribe shall pay an annual regulatory fee to reimburse the State Gaming Agency for carrying out its responsibilities as authorized under the provisions of this Compact, including monitoring, investigative, and processing costs. Should the transition date occur in calendar year 2008, the Tribe's annual regulatory fee shall be $146,000, paid in quarterly installments of $36,500. The annual regulatory fee for years subsequent to 2008 shall be determined in accordance with subsection E below. The Tribe shall reimburse the State Gaming Agency within thirty (30) days after receipt of the State Gaming Agency's invoice.

D. In addition to the State regulatory fees, the Tribe shall pay in quarterly installments an annual eligibility verification fee determined by the State Gaming Agency. The parties agree that the initial annual fee will be based on an individual determination fee of seventy-five dollars ($75) per applicant and fifty dollars ($50) per annual renewal, excluding costs of fingerprint processing for the first four hundred (400) determinations. The Tribal Gaming Agency and the State Gaming Agency shall enter into a Memorandum of Understanding, which may be amended from time to time regarding fees and submittal process for eligibility determinations. Based on the initial fee, the State may adjust the fee based on efficiencies or cost increases.

E. In years subsequent to those referenced in subsection C above, the Tribe shall pay an annual regulatory fee that will be calculated on the State Gaming Agency's hourly billing rate for all Tribes and the amount of time that the State Gaming Agency anticipates it will actually incur in monitoring the Tribe's gaming operation. The fees shall be paid in quarterly installments, within thirty (30) days after receipt of the State Gaming Agency's invoice.

F. Nothing herein shall be interpreted to prevent the Tribe from requesting the services of the State Gaming Agency in addition to those required by this Compact. The Tribe agrees to pay for such requested services, as well as any special scope investigations which shall be billed according to the State Gaming Agency's hourly rate. Such other

special costs, if any, shall be billed in addition to the Tribe's regulatory fee and shall be due within thirty (30) days of receipt of the invoice. The State shall submit a detailed statement with supporting documentation on a quarterly basis to the Tribal Gaming Commission.

G. If the Tribe disputes the State's costs or fees, the Tribe shall pay no less than the amount of the costs which are not in dispute when due to the State Gaming Agency and deposit the remaining disputed amount into an escrow account that is restricted until such dispute is resolved. Tribe may dispute fees on grounds that they are not reasonable and necessary and/or other grounds that fees are not consistent with the terms of the Compact or Appendix Spokane. In the event such dispute arises, it will be resolved pursuant to Section XII of this Compact.

XIV – PUBLIC HEALTH AND SAFETY

A. Compliance. For the purposes of this Compact the gaming operation shall comply with and enforce standards no less stringent than the following with respect to public health and safety:

1. Indian Health Service public health standards;
2. All federal laws establishing minimum standards for environmental protection;
3. Applicable Environmental Protection Agency program standards and Tribal Environmental Policy Act requirements;
4. Federal water quality and safe drinking water standards;
5. Uniform Building Code, including codes for electrical, fire and plumbing;
6. Public health standards for food and beverage handling in accordance with U.S. Public Health Service requirements; and
7. The Spokane Tribe's Laws regarding public health, safety and environmental protection standards.

B. Emergency Service Accessibility. The Tribe and the Tribal Gaming Commission shall make provisions for adequate emergency accessibility and service of the gaming facilities.

C. Impact Mitigation Fund.

1. The Tribe recognizes that activities directly and indirectly associated with the operation of gaming facilities on Spokane Indian Lands may impact local law enforcement agencies, emergency services, and other services and place an increased burden on them. The Tribe hereby agrees to establish a fund for purposes of providing assistance to non-tribal law enforcement, emergency services, and/or service agencies (including those agencies responsible for traffic and transportation, as well as those that provide services to support problem or pathological gambling) impacted by the Class III gaming facilities and to

withhold and disburse 2 percent (2.0%) of the Gross Gaming Revenue from the Class III table games, except as otherwise excluded under the provisions of this Compact, for this fund (Impact Mitigation Fund).

A committee consisting of three representatives of the Spokane Tribe, an elected representative from the town of Chewelah, one member of the Stevens County Commission, and a representative of the State Gaming Agency shall be established. The composition of this committee may be altered by mutual agreement of the Tribe and State Gaming Agency, if necessary. The committee shall initially meet within 120 days of the transition date of this Compact to develop and execute a Memorandum of Understanding containing committee rules of order, Impact Mitigation Fund distribution procedures, and establish set factors to be used to determine negative impacts. The committee shall meet at least once every twelve (12) months from the effective date of this Compact, and annually thereafter, to discuss the following: 1) positive and negative impacts within the county, neighboring cities, and on Spokane Indian Lands; 2) services provided by tribal and non-tribal agencies; and 3) the distribution of the Impact Mitigation Fund. If the committee determines that the impact mitigation distribution does not meet or exceed the 2 percent (2.0%) withholding for any twelve (12) month period, the remaining funds shall be distributed by the Committee to the Department of Social and Health Services Division of Alcohol and Substance Abuse to support problem gambling services or to a bona fide nonprofit organization whose primary purposes are related to addressing the ills of compulsive or problem gambling within neighboring communities.

Except as provided in Appendix X, Section 12.1, no Tribal Lottery System gaming device revenues, Class II gaming revenues, or non-gaming revenues, such as, but not limited to, food, beverage, wholesale or retail sales, shall be included, with the 2 percent (2.0%) budgeted and disbursed as set forth in this section.

2. All disbursements from the Impact Mitigation Fund shall be made not later than thirty (30) days after the annual meeting of the committee required in Section XIV.(C)(1).

D. Community Relations. The Tribal Council or its designee agrees to be available to meet and discuss with neighboring communities any concerns regarding the impact of the Class III gaming operation upon the neighboring communities.

E. Alcoholic Beverage Service. Standards for alcohol service within the gaming facilities shall be subject to applicable law.

XV – AMENDMENTS, DURATION, AND EFFECTIVE DATE

A. Effective Date. This Compact 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 U.S.C. Section 2710(d)(3)(B).

B. Transition Date. The transition date shall occur upon approval by the State Gaming Agency and the Tribal Gaming Commission that the gaming facilities have passed the pre-operation inspection as set forth in Section IV.(A) and are in compliance with the Compact; and, certification to the State Gaming Agency by the Tribe's Chairperson that the only electronic gambling devices in operation at the gaming facilities are those authorized by Appendices Spokane, X, and Y to this Compact.

C. Transition. The Tribe is currently operating gaming facilities in the absence of a Tribal/State Compact and it is the intention of both the Tribe and State to make the transition to compacted gaming facilities expeditiously, without any disruption in business. Except as stated below, this Compact shall not be binding upon either the Tribe or the State until the provisions in Section XV.(B) are met. Until the transition date, the following provisions shall be binding:

1. Best Efforts. The Tribe shall use best efforts in transitioning the gaming facilities to comply with the provisions of this Compact, expeditiously, with the goal of completing the transition within twelve (12) months from the date of signing the Compact. At least thirty (30) days before the transition date, the Tribe shall submit to the State Gaming Agency all information required to make a determination of eligibility for Class III gaming employees licensed by the Tribe prior to said transition date. The State Gaming Agency shall use best efforts to assist the Tribe in the transition.

2. Commencement of Eligibility Verifications and Certifications. Once the State and Tribal Gaming Agencies have agreed that the gaming facilities meet the requirements for licensing as set forth in Section IV.(A), the State Gaming Agency shall conduct eligibility verifications and certifications per its obligations set forth in Section V.(B).

3. Access to State Gaming Agency Officials. The Tribe shall provide access to State Gaming Agency officials per its obligations set forth in Section VII.(A), except that the Tribe may require a Tribal escort at all times prior to the transition date of the Compact.

D. Termination. Should the Tribe wish to cease Class III gaming operations, the Tribe may unilaterally terminate this Compact by submitting written notice sixty (60) days prior to the date of termination to the Governor of the State of Washington. In the event of unilateral termination, State jurisdiction under this Compact shall continue until all Class III gaming ends or the completion of any pending investigation or court action. Suspension or injunction of Class III gaming operations shall not constitute termination for the purpose of this subsection.

E. Other Termination – Change of State Law. If the laws of the State authorizing the activities set forth herein as Class III gaming activities are repealed prohibiting such gaming for any purpose by any person, organization or entity, it is the State's position that the provisions of the Compact providing for such gaming would not be authorized

and continued operation of such gaming would constitute a violation of the Compact and the State may bring an action in federal district court pursuant to 25 U.S.C. Section 2710(d)(7)(A)(ii).

The Tribe disagrees that such subsequent State legislation would have this effect under IGRA and the Compact, but does agree that such an action, if commenced in that forum, is the appropriate State recourse and for such purpose the Tribe consents to such a suit and hereby grants a limited waiver of sovereign immunity solely for the purpose of litigating the said issue.

F. Adjustments/Renegotiations.

1. Renegotiations. In addition to the provisions contained in Section 6 of the attached Appendix Spokane, 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. 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 current terms and provisions of the Compact will remain in effect unless and until the parties agree on the renegotiated terms.

2. 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. The parties shall confer and negotiations shall commence within thirty (30) days of the request. All matters involving negotiations or other amendatory processes under this section shall be otherwise governed, controlled and conducted in conformity with the provisions and requirements of 25 U.S.C. Section 2710(d), except in subsections where a different resolution is specifically provided in the event of an unsettled dispute or where agreement is not reached by the parties.

3. 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 and such agreement gives any such tribe more gaming facilities, activities, stations or higher wager limits, or any combination thereof than provided under the terms of this Compact, then this Compact shall be thereby amended upon approval and acceptance of any such increases by the Tribe and any written incorporation of such amendments to this Compact being provided to the State.

G. Entire Agreement. This Compact contains the entire agreement of the parties hereto with respect to the matters covered by this Compact, including all appendices, and no other statement, agreement or promise made by any party, officer or agency of any party shall be valid or binding. The Tribe and the State shall not enter into any other compact affecting the gaming operation, except by amending this Compact as provided above.

H. Governing Law. This Compact shall be governed by and construed in accordance with the laws of the United States.

XVI – LIMITATION OF LIABILITY

Neither the Tribe nor the State are creating, or intend to create, any rights in third parties which would result in any claims of any nature whatsoever against the Tribe or the State as a result of this Compact. Neither the Tribe nor the State has waived immunity from third party suits or claims of any kind or nature whatsoever against them, and nothing contained in this Compact shall be construed to effect a waiver, in whole or in part, of said immunity.

XVII – NOTICES

Unless otherwise indicated by this Compact, all notices required or authorized to be served shall be served by certified mail or be delivered by other expedited services which require a signature for receipt at the following addresses:

Governor
State of Washington
State Capitol
Olympia, Washington 98504

Chairperson
The Spokane Tribe
Post Office Box 100
Wellpinit, Washington 99040

With a copy to:
Office of the Tribal Attorney
P.O. Box 360
Wellpinit, Washington 99040

Director
Washington State Gambling Commission
Post Office Box 42400
Olympia, Washington 98504-2400

Executive Secretary
Washington Horse Racing Commission
6326 Martin Way, Suite 209
Olympia, Washington 98516

XVIII – SEVERABILITY

In the event that any section or provision of this Compact is held invalid, or its application to any particular activity held invalid, it is the intent of the parties that the remaining sections of the Compact, and the remaining applications of such section or provision shall continue in full force and effect.

IN WITNESS WHEREOF, the Spokane Tribe and the State of Washington have executed this Compact.

THE SPOKANE TRIBE

By _____ DATED: 2-14-07
Richard Sherwood, Tribal Chairperson

THE STATE OF WASHINGTON

By _____ DATED: 2/16/07
Christine Gregoire, Governor

DEPARTMENT OF THE INTERIOR

BY: _____ Dated: MAR 2 9 2007
Acting Principal Deputy Assistant
Secretary – Indian Affairs