

MARIJUANA COMPACT
Between
THE SUQUAMISH TRIBE
And
THE STATE OF WASHINGTON

I. Introduction

This compact is entered into pursuant to House Bill 2000, Chapter 207, Laws of 2015 (the "Compacting legislation"). This document will be cited as the "Marijuana Compact Between the Suquamish Tribe and The State of Washington" and hereinafter referred to as the "Compact."

II. Parties

The Parties to this Compact are the Suquamish Tribe ("Tribe"), and the State of Washington ("State") (collectively, "Parties").

The Tribe is located on the Port Madison Indian Reservation which is in the state of Washington and the Tribe is a federally recognized Indian tribe possessed of the full sovereign powers of a government.

The State of Washington ("State") is a state within the United States of America, possessed of the full powers of a state government. The Washington State Liquor and Cannabis Board ("Board") is an executive department of Washington State government operating under the authority of the Governor, with statutory authority with respect to marijuana under chapters 69.50 and 69.51A RCW. The Compacting legislation allows the Governor to enter into an agreement with any federally recognized Indian tribe located within the geographical boundaries of the State regarding marijuana and to delegate the power to negotiate such agreement to the Board.

III. Purpose and Intent

Historically, the production, possession, delivery, distribution, and sale of marijuana have been illegal across the United States and in Indian Country. In 2012, Washington voters passed Initiative 502 ("I-502") which sets forth a tightly regulated, state licensed system allowing for the production, processing, and retail sale of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products for recreational purposes within the State of Washington.

While the federal Controlled Substances Act continues to designate marijuana as a Schedule 1 substance, on August 29, 2013, the United States Department of Justice issued a memorandum to all United States Attorneys setting forth guidance regarding marijuana enforcement. In that memo, James M. Cole, Deputy Attorney General, set forth eight enforcement priorities of particular importance to the federal government, including: preventing the distribution of marijuana to minors; preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels; preventing the diversion of marijuana from

states where it is legal under state law in some form to other states; preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity; preventing violence and the use of firearms in the cultivation and distribution of marijuana; preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use; preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and preventing marijuana possession or use on federal property. The memo further states that the focus of federal law enforcement resources and efforts will be on those whose conduct interferes with the stated priorities and that state and local governments should provide sufficiently robust regulatory and enforcement systems to protect against these harms.

On October 28, 2014, the United States Department of Justice issued another memorandum to all United States Attorneys providing a policy statement regarding marijuana issues in Indian Country. In that memo, Monty Wilkinson, Director, Executive Office for United States Attorneys, acknowledged that “[t]he eight priorities in the Cole Memorandum will guide United States Attorneys’ marijuana enforcement efforts in Indian Country, including in the event that sovereign Indian Nations seek to legalize the cultivation or use of marijuana in Indian Country.” That memo effectively treats tribal governments the same as state governments in the decision to legalize marijuana.

Through State law and the Board’s implementing rules, the State has decriminalized the production, possession, delivery, distribution, sale, and use of marijuana in the State and has attempted to set forth a civil regulatory system that accomplishes the federal priorities set forth above and keeps marijuana production, processing, and sale in the State regulated and safe for the public.

After serious deliberation, the Tribe, as a sovereign nation, has also determined that present day circumstances make a complete ban of marijuana within Indian Country ineffective and unrealistic and has decriminalized its sale and possession in certain circumstances. At the same time, consistent with the federal priorities, the need still exists for strict regulation and control over the production, possession, delivery, distribution, sale, and use of marijuana in Indian Country.

The State and the Tribe have recognized the need for cooperation and collaboration with regard to marijuana in Indian Country. The State has authorized the entry of this Compact by the Compact legislation, enacted by the 2015 Regular Session of the Legislature on April 24, 2015, signed by the Governor on May 8, 2015, effective July 24, 2015. Through this legislation, the State authorized the Governor to enter agreements concerning the regulation of marijuana and to delegate the authority to negotiate the agreements to the Board.

The Parties share a strong interest in ensuring that marijuana production, processing, and sales in Indian Country are well-regulated to protect public safety and community interests. The Parties acknowledge that pursuant to federal law, 21 U.S.C. § 812, marijuana is a Schedule I controlled substance and that this Compact does not protect the sales or regulation of marijuana in Indian Country from federal law; however, the Parties have entered into this Compact in order to strengthen their ability to meet these mutual interests and to provide a framework for

cooperation to ensure a robust tribal and state regulatory and enforcement system sufficient to meet the federal priorities.

The Parties agree that it is in the best interests of the Tribe and the State that they enter into a compact to enhance public health and safety, ensure a lawful and well-regulated marijuana market, encourage economic development in Indian Country, and provide fiscal benefits to both the Tribe and the State.

IV. Definitions

A. "Auditor" means a certified public accountant licensed and in good standing in the State of Washington.

B. "Board" means the Washington State Liquor and Cannabis Board and its staff.

C. "Compact" means this Marijuana Compact Between the Suquamish Tribe and the State of Washington, as may be amended.

D. "Essential Government Services" means services provided by the Tribe including, but not limited to, administration, public facilities, fire, police, health, education, elder care, social services, sewer, water, environmental and land use, transportation, utility services, community development, and economic development.

E. "Indian Country" means the lands of the Suquamish Indian Tribe as defined by 18 U.S.C. § 1151, including the Tribe's Port Madison Indian Reservation and all lands held in trust or restricted fee status by the United States for the Tribe or its Tribal Members.

F. "Marijuana," "marijuana concentrates," "marijuana-infused products," and "useable marijuana" as used in this Compact shall have the same meanings as in RCW 69.50.101 or any amendments thereto. Together, these terms shall be referred to as "marijuana product" or "marijuana products."

G. "Parties" means the State and the Tribe.

H. "PME" means Port Madison Enterprises, an agency of the Tribe.

I. "Processor" means any marijuana processor in Indian Country licensed or otherwise allowed by the Tribe pursuant to Section 11.10 of the STC to process marijuana into useable marijuana, marijuana concentrates, and marijuana-infused products, package and label useable marijuana and marijuana-infused products for sale to retailers, and sell useable marijuana and marijuana and marijuana-infused products at wholesale to retailers.

J. "Producer" means any marijuana producer in Indian Country licensed or otherwise allowed by the Tribe pursuant to Section 11.10 of the STC to produce and sell marijuana at wholesale to processors and other producers.

K. "Retailer" means any marijuana retailer in Indian Country licensed or otherwise allowed by the Tribe pursuant to Section 11.10 of the STC to sell useable marijuana, marijuana concentrates, and marijuana-infused products in a retail outlet.

L. "SEC" means the Suquamish Evergreen Corporation, a wholly owned subsidiary of PME.

M. "State" means the State of Washington.

N. "State Licensee" means any marijuana producer, marijuana processor, or marijuana retailer licensed by the Board pursuant to RCW 69.50, RCW 69.51A, WAC 314-55, or any other regulations promulgated under those RCW chapters, as amended.

O. "State Tax" means the marijuana excise tax as stated in RCW 69.50.535 and the State and local sales and use tax on sales of marijuana as stated in RCW 82.08 and RCW 82.12, all as may be amended from time to time.

P. "STC" means the Suquamish Tribal Code.

Q. "Tribal Enterprise" means SEC or other business owned in whole or in part by the Tribe or PME and authorized to sell marijuana products under the STC.

R. "Tribal Member Business" means a business owned by an enrolled member of the Tribe.

S. "Tribal Tax" means a tax imposed by the Tribe on marijuana activities.

T. "Tribe" means the Suquamish Tribe of Indians.

V. Terms of Agreement

A. Applicability. This Compact applies to the production, processing, and sale of marijuana products in Indian Country where the Tribe, Tribal Enterprise, or Tribal Member Business (i) delivers or causes delivery to be made to or receives delivery of marijuana products from a State Licensee or (ii) physically transfers possession of marijuana products from the seller to the buyer within Indian Country. Except as otherwise provided herein, the production, processing, sale, and possession of marijuana products in Indian Country pursuant to the STC and in accordance with this Compact are not subject to the terms of RCW 69.50, RCW 69.51A, WAC 314-55, or any other regulations promulgated under those RCW Chapters and any such activities will not be a criminal or civil offense under Washington state law.

B. Retail Sales. The Tribe and/or its Tribal Enterprises may sell marijuana products in Indian Country pursuant to the STC and this Compact. The current STC does not permit Tribal Member Businesses to conduct retail sales of marijuana products in Indian Country. However, if the STC is revised to allow it, then the Tribal Member Business may not purchase from a State Licensee until such time as the Compact is amended to allow it.

1. Initial Location. The first retail location will be operated by SEC and located at 15915 State Highway 305 NE, Poulsbo, Washington 98370.

2. Other sales by the Tribe or a Tribal Enterprise. The Tribe shall notify the State at least 30 days prior to the opening of any other Retailer owned by the Tribe or a Tribal Enterprise. Only new retail locations and not the location set forth in Section V.B.1 above shall be subject to this Section. Such notifications shall include:

- a. The identity of the entity which is operating the retail location;
- b. Location of the premises; and
- c. Certification that the premises is located in Indian Country.

3. Conditions on Retail Sales.

a. Retail sales of marijuana products by the Tribe and any Tribal Enterprise must be conducted in accordance with STC Chapter 11.10 and the internal policies and controls of the Tribe or Tribal Enterprise. STC Chapter 11.10 as it exists on the date of this Compact is attached as Exhibit A. Current copies of STC Chapter 11.10 and marijuana internal policies and controls of the Tribe and any Tribal Enterprise will be made available for review by the Board upon request. The Tribe agrees to notify the Board of any changes to the STC that may affect marijuana products within ten days of the date of adoption by the Tribe.

b. All marijuana products purchased by a Retailer from a State-licensed producer or processor will be verified upon delivery in Indian Country, and confirmation of receipt will be made by executing the delivery invoice. The Retailer will input or cause to be input all delivered purchases into the State's tracking system within 24 hours of making any such delivery.

c. All marijuana products purchased by the Tribe or a Tribal Enterprise from the tribal government, tribal enterprise, or member of another federally recognized Indian Tribe with a reservation located within the state of Washington, or sold by the Tribe or a Tribal Enterprise to the tribal government, tribal enterprise, or member of another federally recognized Indian Tribe with a reservation located within the state of Washington, will be recorded in either the Tribe's or the State's tracking system within 24 hours of any such receipt or delivery. The Tribe and any Tribal Enterprise will make such records available for review by the Board upon request.

C. Producing and Processing of Marijuana Products. The Tribe may allow the production and processing of marijuana products in Indian Country pursuant to the following terms:

1. Initial Producing and/or Processing Location. The first Producing and/or Processing location will be operated by SEC and located at 15915 State Highway 305 NE, Poulsbo, Washington 98370.

2. Production and/or Processing by the Tribe or a Tribal Enterprise. The Tribe shall notify the State at least 90 days prior to the start of operations of any Producer or Processor owned by the Tribe or a Tribal Enterprise. Only new Producing and/or Processing locations and not the location set forth in Section V.C.1 above shall be subject to this Section. Such notifications shall include:

- a. The identity of the entity which is operating the Producer or Processor location;
- b. Location of the premises; and
- c. Certification that the premises is located in Indian Country.

3. Production or Processing by a Tribal Member Business. The current STC does not permit production or processing by a Tribal Member Business of marijuana products in Indian Country. However, if the STC is revised to allow it, then the Tribal Member Business may not purchase from or sell to a State Licensee until such time as the Compact is amended to allow it.

4. Conditions on Producers and Processors.

a. Production and processing of marijuana products by the Tribe and any Tribal Enterprise must be conducted in accordance with STC Chapter 11.10 and the internal policies and controls of the Tribe or Tribal Enterprise. STC Chapter 11.10 as it exists on the date of this Compact is attached as Exhibit A. Current copies of STC Chapter 11.10 and any internal marijuana policies and controls of the Tribe and any Tribal Enterprise will be made available for review by the Board upon request. The Tribe agrees to notify the Board of any changes to the STC that may affect marijuana products within ten days of the date of adoption by the Tribe.

b. The State may require that marijuana products sold by Producers or Processors to State Licensees be packaged, tested and labeled in compliance with State marijuana laws. With respect to "edibles" this may include State preapproval of the product packaging and labeling before sale to State Licensees; PROVIDED, that such preapproval shall not be unreasonably withheld and shall be timely provided. All transactions between the Tribe and State Licensees will be executed through the state traceability system following the same rules as State Licensees.

D. Notice to Local Jurisdictions. The Parties agree that it is in the best interests of both Parties that notice be provided to neighboring jurisdictions prior to the commencement of operations of a Producer, Processor, or Retailer.

1. When the Tribe or any other Tribal Enterprise proposes to open a new Producer, Processor, or Retailer, the Tribe will provide, at least 30 days prior to the commencement of operations, written notice to the city, or if outside city limits, the county in which the activity will occur. The Parties agree that the purpose of the notice is to facilitate an exchange of information that may be helpful to all parties concerned in addressing unanticipated impacts with the understanding that such notice related to Indian Country is a matter of intergovernmental courtesy and not required by state law.

2. In accordance with the direction of the Legislature to address problems arising out of cross-border commerce, when any business that is not a Tribal Enterprise or Tribal Member Business applies to the Board for a Producer, Processor, or Retailer license for a location in Indian Country, the Board agrees that such license will not be granted without the person or business first obtaining express written consent of the Tribe and any business licensure as may be required by the STC.

E. State Licensees.

1. The Tribe and Tribal Enterprises may purchase marijuana products from or sell marijuana products to State Licensees or any other entity operating under a valid agreement authorized by the Compacting legislation, including any amendments thereto, with or otherwise authorized by the State. All transactions between the Tribe and State Licensees must be executed through the State traceability system, and marijuana products purchased from or sold to State Licensees must be packaged, tested and labeled in compliance with State marijuana laws.

2. The State will not cite, fine, or otherwise take any other adverse licensing or other action against any State Licensee for the mere fact that it bought or sold marijuana products from or to the Tribe or a Tribal Enterprise in accordance with the terms of this Compact and STC.

3. To the extent necessary, the State will work with the Tribe and with any State Licensees or otherwise authorized producers, processors, or retailers to assure such entities that the Tribe and Tribal Enterprises are legally authorized to purchase and sell marijuana products pursuant to the terms of this Compact.

F. Taxes.

1. State Tax. Pursuant to state law, no State Tax or fee, assessment, or other charge imposed by RCW 69.50 or 69.51A may be assessed against or collected from the Tribe, Tribal Enterprises, Tribal Member Businesses, State Licensees, or retail customers related to any commercial activity related to the production, processing, sale, and possession of marijuana products governed by this Compact, except that the State may require State Licensees to pay the fees for the application, issuance and renewal of licenses under RCW 69.50.325. To the extent any other State Tax; fee, assessment, or other charge imposed by RCW 69.50 or 69.51A; or Tribal Tax is assessed against or collected from any State Licensee related to a sale to or purchase from the Tribe, Tribal Enterprises, or Tribal Member Businesses of any marijuana product, it shall be refunded or otherwise paid by the State to the Tribe within 30 days of receipt by the State. Any amounts so received by the Tribe will be used for Essential Government Services and subject to the independent testing procedures stated in subsection (V)(F)(2)(b).

2. Tribal Tax. The Tribe shall impose and maintain a Tribal Tax that is equal to at least 100 percent of the State Tax on all sales of marijuana products in Indian country, unless (1) the sale is to the Tribe, Tribal Enterprise, Tribal Member Business, or an enrolled member of the Tribe; (2) the marijuana product was grown, produced, or processed in Indian Country; (3) the transaction is otherwise exempt from state marijuana taxation under state or

federal law; or, (4) the transaction involves medical marijuana products used in the course of medical treatments by a clinic, hospital, or similar facility owned and operated by the Tribe within Indian Country. The Tribe may choose to levy a Tribal Tax on any transaction that may otherwise be exempt.

a. While not required under State law, the Tribe agrees to use the proceeds of the Tribal Tax for Essential Government Services.

b. At the State's request, the Tribe will retain, at its own expense, an Auditor to test the Tribe's compliance with this section V.F of the Compact. The Auditor will review a sample of records to verify the requirements of this section and will provide the State with a report detailing the results of the testing procedures, to include identification of any instances of noncompliance with the terms of this section.

G. Safety and Enforcement. The Tribe shall address safety and enforcement issues in accordance with STC, this Compact, and internal policies and controls of the Tribe or Tribal Enterprise.

1. Premises Checks

a. By the Tribe. The Suquamish Police Department or other authorized agency may conduct its own premises checks in Indian Country to observe compliance with the STC and this Compact and to provide support and education to Tribal Enterprises and staff. To the extent it is informed of the results of such premises checks, SEC will share the results of the premises checks with the Board.

b. By the Board. The Board, through its staff, may also conduct premises checks. Prior to conducting any such check, the Board will contact the Suquamish Police Department to provide reasonable notice of such premises check. Except as provided in subsection (c) below, the Suquamish Police Department must observe and participate in all premises checks. The Board will share the results of such premises checks with SEC and the Tribe.

c. Cooperation. Both Parties will cooperate in good faith to undertake all Board requested checks jointly. The Suquamish Police Department will make reasonable efforts to arrange and conduct all Board requested premises checks within 24 hours of being provided written notice of such request by the Board. All such written notice shall be sent to the Chief of Police and the Chairman of the Tribe. However, if the Suquamish Police Department is unable or unwilling to arrange and conduct such requested premises check 48 hours after receiving the original written notice the Board may then perform the premises check on its own without the Suquamish Police Department. Should either Party have any concerns arising out of a premises check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the premises checks themselves or of marijuana sales by the Tribe or Tribal Enterprise that were checked.

2. Compliance Checks-Minors

a. By the Tribe. The Tribe may conduct its own compliance checks in Indian Country using minors ages 18, 19, or 20 through the Suquamish Police Department or other authorized agency in accordance with Tribal regulations and policies. To the extent it is informed of the results of such checks, SEC will provide the results of the checks to the Board. No criminal action may be taken against any minor who purchases marijuana as part of such a compliance check.

b. By the Board. Board staff may also conduct compliance checks. Prior to conducting any such check, the Board will contact the Suquamish Police Department to provide reasonable notice of such compliance check. Except as provided in subsection (c) below, the Suquamish Police Department must observe and participate in all compliance checks. The Board will share the results of such compliance checks with SEC and the Tribe.

c. Cooperation. Both Parties will cooperate in good faith to undertake all Board requested checks jointly. The Suquamish Police Department will make reasonable efforts to arrange and conduct all Board requested compliance checks within 24 hours of being provided written notice of such request by the Board. All such written notice shall be sent to the Chief of Police and the Chairman of the Tribe. However, if the Suquamish Police Department is unable or unwilling to arrange and conduct such requested compliance check 48 hours after receiving the original written notice the Board may then perform the compliance check on its own without the Suquamish Police Department. Should either Party have any concerns arising out of a compliance check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the compliance checks themselves or of marijuana sales by the Tribe or Tribal Enterprise that were checked.

H. Dispute Resolution.

1. Neither Party, nor officers acting on either Party's behalf, may petition any court to enforce this Compact unless (a) the dispute resolution process described in subsections (a) through (d) below has been followed in good faith to completion without successful resolution or (b) the other Party fails to enter into the dispute resolution process. Should a dispute arise between the Parties regarding compliance with this Compact by either Party, or by their officers, employees or agents, the Parties will attempt to resolve the dispute through the following dispute resolution process:

a. Notice. Either Party may invoke the dispute resolution process by notifying the other, in writing, of its intent to do so. The notice must set out the issues in dispute and the notifying Party's position on each issue.

b. Meet and Confer. The first stage of the process will include a face-to-face meeting between representatives of the two Parties to attempt to resolve the dispute by negotiation. The meeting must be convened within 30 days after the receiving Party's receipt of the written notice described in subsection (a). The representatives of each Party will come to the meeting with the authority to settle the dispute. If the dispute is resolved, the resolution will be memorialized in a writing signed by the Parties.

c. Mediation. The second stage of the process will be that if the Parties are unable to resolve the dispute within sixty (60) days after the receiving Party's receipt of the written notice sent under subsection (a) above, the Parties will engage the services of a mutually agreed upon qualified mediator to assist them in attempting to negotiate the dispute. Costs for the mediator will be borne equally by the Parties. The Parties will pursue the mediation process in good faith until the dispute is resolved or until the mediator determines that the Parties are not able to resolve the dispute. If the Parties cannot agree on a format for the mediation process, the format will be that directed by the mediator. If the dispute is resolved, the resolution will be memorialized by the mediator in a writing signed by the Parties, which will bind the Parties.

d. Arbitration.

- (1) If a Party terminates the process before completion, or if the mediator determines that the dispute cannot be resolved in the mediation process, or if the dispute is not resolved within one hundred and twenty (120) days after the date the mediator is selected, either Party may initiate binding arbitration proceedings under the rules of the American Arbitration Association ("AAA"), but AAA need not administer the arbitration. If the arbitrator determines that a Party is in violation of a material provision of this Compact, and such violation is not or cannot be cured within thirty (30) days after the arbitrator's decision, then the other Party may terminate this Compact with sixty (60) days' prior written notice.
- (2) The arbitrator shall have no authority to award monetary damages or issue injunctive or other equitable relief.
- (3) Each Party will bear its own legal costs incurred under this section. All costs of the arbitrator will be shared equally.

2. If, at any time after the effective date of this Compact, the State enters into an agreement, compact, or consent decree with any other federally recognized Indian tribe or governmental agency thereof, of or relating to the regulation of marijuana in Indian country which includes a "most favored nation" provision, then, upon the Tribe's written request, this Compact will be amended to include such provision. A "most favored nation" provision is defined as language by which the State agrees to accord a tribe or tribal government agency the same favorable terms that are offered in later agreements with any other tribe or tribal government agency. This will not be construed to require that the State offer the Tribe the option to receive the same terms offered to every tribe or tribal government agency, in the absence of a most favored nation provision in the Compact.

3. In any action filed by a third party challenging either the Tribe's or the State's authority to enter into or enforce this Compact, the Parties each agree to support the Compact and defend each of their authority to enter into and implement this Compact; provided, however, that this provision does not waive, and must not be construed as a waiver of, the sovereign immunity of the Tribe or any of its subdivisions or enterprises.

I. Sovereign Immunity. The State agrees that, except for the limited purpose of resolving disputes in accordance with subsection (H) above, the signing of this Compact by the Tribe does not imply a waiver of sovereign immunity by the Tribe or any of its subdivisions or enterprises and is not intended as a waiver of sovereign immunity and that any action by the State in regard to marijuana regulation by the Tribe shall be in accord with this Compact.

J. No Limitation. The Parties agree that the signing of this Compact and the resultant benefits and obligations shall not be construed as limiting any otherwise lawful activity of the Tribe or its subdivisions or enterprises nor subject the Tribe or its subdivisions or enterprises to any State jurisdiction not agreed to in this Compact.

VI. Communication and Notice.

A. Designated Contacts. The Parties agree to maintain regular and open communication regarding the administration and implementation of this Compact. The Parties agree that the following individuals will be designated primary contacts regarding administration of this Compact:

For the State: Rick Garza, Agency Director
Liquor and Cannabis Board
3000 Pacific Avenue SE
Olympia, WA 98504-3080
rig@liq.wa.gov
(360) 664-1650

For the Tribe: Rion Ramirez, General Counsel
Port Madison Enterprises
15347 Suquamish Way NE
Suquamish, WA 98392
RionRamirez@clearwatercasino.com
(360) 598-8766

The Parties agree that if either party believes that the goals and objectives of this Compact are not being met, that they will meet promptly to discuss any issues and concerns.

B. Notice. Any notice that may be or is required to be sent under this Compact shall be sent as follows:

If to the State: Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

With a copy to: Agency Director
Liquor and Cannabis Board
3000 Pacific Avenue SE
Olympia, WA 98504-3080

If to the Tribe: Chairman
Suquamish Tribe of Indians
P.O. Box 498
18490 Suquamish Way
Suquamish, WA 98392

With a copy to: General Counsel
Port Madison Enterprises
15347 Suquamish Way NE
Suquamish, WA 98392

VII. Effect, Duration, and Amendment

A. Term. This Compact shall remain in effect for a term of ten years unless the Parties mutually agree in writing that the Compact should be vacated or terminated and superseded by a new compact between the Parties within that time frame. The Compact shall be automatically renewed for successive periods of ten years, unless a party provides written notice to the other, no later than 120 days before the expiration of the then current ten-year period, that it wishes to modify the terms of the Compact.

B. Amendment. No amendment or alteration of this Compact shall arise by implication or course of conduct. This Compact may be altered only by a subsequent written document, approved by the Parties, expressly stating the Parties' intention to amend this Compact

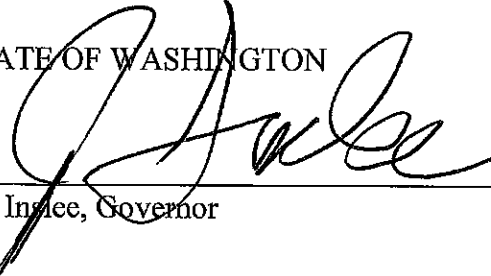
C. Severability. If any provision of this Compact or its application to any person or circumstance is held invalid, the remainder of the Compact is not affected.

D. Change in Classification. If the classification of marijuana as a Schedule I drug is altered in any way or federal marijuana enforcement policy (as described in III, above) changes, the Parties agree to meet and discuss the need to modify this Compact. If such modifications cannot be agreed upon, then either Party may terminate this Compact with 60 days written notice.

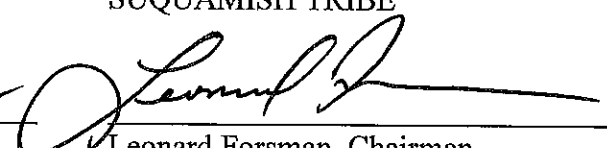
This Compact is hereby made this 15th day of Sept., 2015.

STATE OF WASHINGTON

SUQUAMISH TRIBE

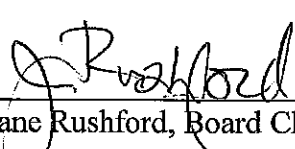


Jay Injee, Governor

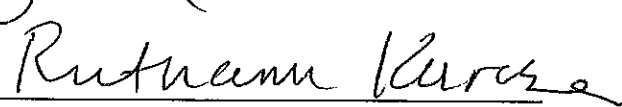


Leonard Forsman, Chairman

WASHINGTON STATE LIQUOR AND
CANNABIS BOARD



Jane Rushford, Board Chair



Ruthann Kurose, Board Member



Russ Hauge, Board Member



Rick Garza, Agency Director