

**FIRST AMENDMENT TO THE
TRIBAL-STATE GAMING COMPACT
BETWEEN THE STATE OF CALIFORNIA
AND THE KARUK TRIBE**

The Karuk Tribe (Tribe), a federally recognized Indian tribe listed in the Federal Register as the Karuk Tribe, and the State of California (State) enter into this First Amendment to the Tribal-State Compact Between the State of California and the Karuk Tribe (Amendment) pursuant to the Indian Gaming Regulatory Act of 1988, 18 U.S.C. §§ 1166-1168, 25 U.S.C. §§ 2701-2721 (IGRA), and section 15.1 of the Tribal-State Compact Between the State of California and the Karuk Tribe, effective November 19, 2014 (2014 Compact).

PREAMBLE

WHEREAS, the parties acknowledge that the Tribe is the second largest Tribe in the State of California with approximately 3,700 members and is located in one of the most economically depressed regions of the State of California; and

WHEREAS, the parties acknowledge that the Tribe's Gaming Facility promotes the healthcare, educational, natural resource, and other needs of the membership of the Tribe that have gone unmet for so many years; and

WHEREAS, this Amendment will afford the Tribe continuing primary responsibility over the regulation of its Gaming Facility and will enhance the Tribe's economic development and self-sufficiency; and

WHEREAS, the State and the Tribe have therefore concluded that this Amendment protects the interests of the Tribe and its members, the surrounding community, and the California public, and will promote and secure long-term stability, mutual respect, and mutual benefits; and

WHEREAS, the State and the Tribe agree that all terms of this Amendment are intended to be binding and enforceable, together with the 2014 Compact;

WHEREAS, the Tribe has recently opened and is currently operating a Gaming Facility pursuant to the 2014 Compact;

WHEREAS, section 15.1 of the 2014 Compact provides that it may be amended upon written agreement of both parties, and the parties agreed to

negotiate regarding an amendment to the 2014 Compact's provision regarding mandatory participation in the state workers' compensation program and other matters; and

WHEREAS, the State and the Tribe share an interest in creating a framework within which the Gaming Facility can operate successfully to generate revenue for essential government programs for tribal members while also ensuring that other interests, including an efficient and effective system to address the appropriate costs arising from employees who are injured or become sick while performing work-related duties, are also furthered;

NOW, THEREFORE, the Tribe and the State agree as set forth herein:

Section 12.6, subdivision (a) of the 2014 Compact is repealed and is amended as follows:

- (a) Not later than the effective date of this Amendment, the Tribe will advise the State of its election to continue to participate in the statutory workers' compensation system as provided in subdivision (a)(1) below or, alternatively, forward to the State all relevant ordinances that have been adopted and all other documents establishing the system and demonstrating that the system is fully operational and compliant with the comparability standard set forth in subdivision (a)(2) below. The parties agree that independent contractors doing business with the Tribe must comply with all state workers' compensation laws and obligations.
 - (1) The Tribe agrees that it will participate in the State's workers' compensation program with respect to employees employed at the Gaming Operation or Gaming Facility. The workers' compensation program includes, but is not limited to, state laws relating to the securing of payment of compensation through one or more insurers duly authorized to write workers' compensation insurance in this state or through self-insurance as permitted under the State's workers' compensation laws. All disputes arising from the workers' compensation laws shall be heard by the Workers' Compensation Appeals Board pursuant to the California Labor Code. The Tribe hereby consents to the jurisdiction of the State Workers' Compensation Appeals Board and the courts of the State of California for purposes of

enforcement. The parties agree that independent contractors doing business with the Tribe are bound by all state workers' compensation laws and obligations.

- (2) In lieu of participating in the State's statutory workers' compensation system, the Tribe may create and maintain a system that provides redress for Gaming Operation and Gaming Facility employees' work-related injuries through requiring insurance or self-insurance, which system must include a scope of coverage, provision of up to ten thousand dollars (\$10,000) in medical treatment for alleged injury until the date that liability for the claim is accepted or rejected, employee choice of physician (either after thirty (30) days from the date of the injury is reported or if a medical provider network has been established, within the medical provider network), quality and timely medical treatment provided comparable to the state's medical treatment utilization schedule, availability of an independent medical examination to resolve disagreements on appropriate treatment (by an Independent Medical Reviewer on the state's approved list, a Qualified Medical Evaluator on the state's approved list, or an Agreed Medical Examiner upon mutual agreement of the employer and employee), the right to notice, hearings before an independent tribunal, a means of enforcement against the employer, and benefits (including, but not limited to, disability, rehabilitation and return to work) comparable to those mandated for comparable employees under state law. The parties agree that independent contractors doing business with the Tribe are bound by all state workers' compensation laws and obligations.

Section 18.3 of the 2014 Compact is repealed and is replaced as follows:

Sec. 18.3. Construction.

Neither the presence in another tribal-state Class III Gaming compact of language that is not included in the 2014 Compact or this Amendment, nor the absence in another tribal-state Class III Gaming compact of language that is present in the 2014 Compact or this Amendment shall be a factor in construing the terms of the 2014 Compact or this Amendment. In the event of a dispute between the parties as to the language of the 2014 Compact or this Amendment, or the

construction or meaning of any term thereof, the 2014 Compact and this Amendment will be deemed to have been drafted by the parties in equal parts so that no presumptions or inferences concerning their terms or interpretation may be construed against any party to the 2014 Compact and this Amendment.

A new Section 18.8 is hereby added as follows:

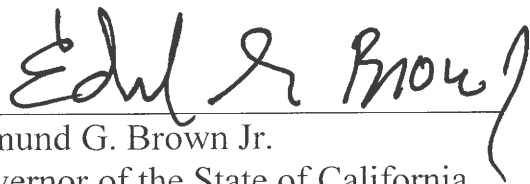
Sec. 18.8. Representations.

- (a) The Tribe expressly represents that as of the date of the undersigned's execution of this Amendment, the undersigned had the authority to execute this Amendment on behalf of the Tribe, including any waiver of sovereign immunity and the right to assert sovereign immunity therein, and will provide written proof of that authority and of the ratification by the tribal governing body to the Governor no later than thirty (30) days after the execution of this Amendment by the undersigned.
- (b) The Tribe further represents that it is (i) recognized as eligible by the Secretary of the Interior for special programs and services provided by the United States to Indians because of their status as Indians, and (ii) recognized by the Secretary of the Interior as possessing powers of self-government.
- (c) In entering into this Amendment, the State expressly relies upon the foregoing representations by the Tribe, and the State's entry into the Amendment is expressly made contingent upon the truth of those representations as of the date of the Tribe's execution of this Amendment through the undersigned. If the Tribe fails to timely provide written proof of the undersigned's aforesaid authority to execute this Amendment or written proof of ratification by the Tribe's governing body, the Governor shall have the right to declare this Amendment null and void.
- (d) This Amendment shall not be presented to the California State Legislature for a ratification vote until the Tribe has provided to the Governor the written proof required in subdivision (a) of this section.

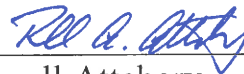
IN WITNESS WHEREOF, the undersigned sign this First Amendment to the Tribal-State Compact between the State of California and the Karuk Tribe on behalf of the State of California and the Karuk Tribe.

STATE OF CALIFORNIA

KARUK TRIBE



Edmund G. Brown Jr.
Governor of the State of California



Russell Attebery
Chairman of the Karuk Tribe

Executed this 1st day of August,
2018, at Sacramento, California.

Executed this 2nd day of July,
2018, at Happy Camp, California.

ATTEST:

Alex Padilla
Secretary of State, State of California