DEPARTMENT OF THE INTERIOR
Bureau of Indian Affairs
Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of Approved Tribal—State Class III Gaming Compact.

SUMMARY: This notice publishes an Approval of the Amended and Restated Tribal-State Government-to-Government Compact for the regulation of Class III Gaming on the Warm Springs Reservation.

EFFECTIVE DATE: June 1, 2005.


SUPPLEMENTARY INFORMATION: Under Section 11(d)(7)(D) of the Indian Gaming Regulatory Act of 1988 (IGRA), Public Law 100-497, 25 U.S.C. 2710, the Secretary of the Interior must publish in the Federal Register notice of any Tribal-State compact that is approved, or considered to have been approved for the purpose of engaging in Class III gaming activities on Indian lands. The Acting Principal Deputy Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority did not approve or disapprove these compacts before the date that is 45 days after the date these compacts were submitted. These compacts authorize these Indian tribes to engage in certain Class III gaming activities, provides for certain geographical exclusivity, limits the number of gaming machines at existing racetracks, and prohibits non-tribal operation of certain machines and covered games. Therefore, pursuant to 25 U.S.C. 2710(d)(7)(C), these compacts are considered to have been approved, but only to the extent they are consistent with IGRA.

Dated: May 18, 2005.

Michael D. Olsen,
Acting Principal Deputy Assistant Secretary—Indian Affairs.

[FR Doc. 05-10877 Filed 5-31-05; 8:45 am]
BILLING CODE 4110-44-P
Honorable Ron Suppah
Chairman, Confederated Tribes of the
Warm Springs Reservation of Oregon
P.O. Box C
Warm Springs, Oregon 97761

Dear Chairman Suppah:

On April 8, 2005, we received the Amended and Restated Tribal-State Government-To-
Government Compact for the regulation of Class III Gaming on the Warm Springs Reservation
(Kah-Nee-Ta Compact) between the Confederated Tribes of the Warm Springs Reservation of
Oregon (Tribe) and the State of Oregon (State), executed on April 6, 2005.

We have completed our review of this Kah-Nee-Ta 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 Kah-Nee-Ta Compact. This Ka-Nee-Ta 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.

A similar letter is being sent to the Honorable Theodore R. Kulongoski, Governor, State of
Oregon. We wish the Tribe and State continued success in their economic venture.

Sincerely,

James E. Cason
Associate Deputy Secretary
AMENDED AND RESTATED
TRIBAL-STATE GOVERNMENT-TO-GOVERNMENT COMPACT
FOR REGULATION OF CLASS III GAMING
ON THE
WARM SPRINGS RESERVATION

RECEIVED
APR 8 2005
BUREAU OF INDIAN AFFAIRS
OFFICE OF INDIAN GAMING MANAGEMENT
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GENM1977/Warm Springs/Kah-Nee-Ta Amended and Restated/April 6, 2005
Exhibit 1  Description of Gaming Location (Kah-Nee-Ta Facility)

Exhibit 2  Minimum Internal Controls
AMENDED AND RESTATED
TRIBAL-STATE GOVERNMENT-TO-GOVERNMENT COMPACT
FOR REGULATION OF CLASS III GAMING
ON THE
WARM SPRINGS RESERVATION

SECTION 1. TITLE AND PREAMBLE.

This Amended and Restated Tribal-State Government-To-Government Compact for Regulation of Class III Gaming Between the Confederated Tribes of the Warm Springs Reservation of Oregon and the State of Oregon ("Compact") amends, restates and supercedes in its entirety the Tribal-State Government-To-Government Compact for Regulation of Class III Gaming Between the Confederated Tribes of the Warm Springs Reservation of Oregon ("Tribe") and the State of Oregon ("State"), entered January 6, 1995, as amended by Amendments I through XI ("Original Compact"). This Compact pertains to Class III Gaming conducted on lands within the Warm Springs Indian Reservation pursuant to the Indian Gaming Regulatory Act of October 17, 1988 (Public Law 100-497), 25 U.S.C. § 2701 et seq. ("IGRA") and reflects the sovereign status and jurisdictional authority of the Tribe and addresses the legitimate concerns of the State. The terms of this Compact are unique to the Tribe and reflect the fact that the lands that are the subject of this Compact are held in trust by the United States, and that these lands may be used for Class III Gaming under IGRA.

SECTION 2. RECITALS.

WHEREAS, the Tribe is a federally recognized Indian tribe and is the beneficial owner of, and government for, the Warm Springs Reservation ("Reservation") located within the State of Oregon;

AND WHEREAS, the Tribe has adopted a "Declaration of Sovereignty," dated June, 1992, setting forth the Tribe's position as to the inherent sovereignty of the Tribe;

AND WHEREAS, the Tribe has adopted a "Vision for Tribal Gaming" to guide the development, planning and implementation of Indian gaming by the Tribe;

AND WHEREAS, the Reservation is specifically exempted from the extension of state jurisdiction to Indian country by Public Law 83-280.

AND WHEREAS, the Reservation consists of approximately 1,000 square miles, almost all of which is eligible trust lands;

AND WHEREAS, the Reservation encompasses no non-tribal communities and non-tribal activity is almost solely limited to tribally-supported tourist and recreational activities;

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AND WHEREAS, the Tribe provides a full range of governmental services on the Reservation;

AND WHEREAS, the State and the Tribe are separate sovereigns and each respects the laws of the other sovereign;

AND WHEREAS, the State and the Tribe recognize that all representatives of both sovereign governments deserve to be treated with respect;

AND WHEREAS, the public policy of the State is reflected in the Constitution, statutes and administrative rules of the State, which, at the time of execution of this Compact, authorize a variety of games classified as Class III Gaming under IGRA;

AND WHEREAS, the tribal public policy, as reflected in the Tribe’s Constitution and Bylaws includes the powers of the Tribal Council to negotiate with state government, manage the economic affairs of the Tribe and protect the health, security and general welfare of the members of the Tribe;

AND WHEREAS, the United States Congress has enacted IGRA which declares federal policy and provides a statutory basis for operation of gaming by the Tribe as a means of promoting tribal economic development, self-sufficiency, and strong tribal government;

AND WHEREAS, the Tribe exercises governmental authority over all lands within the Reservation;

AND WHEREAS, IGRA is intended to provide a statutory basis for regulation of gaming by the Tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the Tribe is the primary beneficiary of the gaming revenues, and to ensure that gaming is conducted fairly and honestly by both the operators and players;

AND WHEREAS, the State recognizes the Tribe’s desire to cooperate with the State in assuring the fairness, integrity, security and honesty of the Tribal Gaming Operation and the Tribe’s commitment to an effective working relationship with the Oregon State Police;

AND WHEREAS, the continued growth and success of tribal gaming depends upon public confidence and trust that the Tribal Gaming Operation is honest, fair and secure, and is free from criminal and corruptive influences;

AND WHEREAS, public confidence and trust can be maintained only if there is strict compliance with laws and regulations related to licensed gaming establishments, by all persons involved in the gaming operation;

AND WHEREAS, the relationship between the State and the Tribe rests on mutual trust

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and the recognition that each has a primary duty to protect the gaming public through separate, appropriate responsibilities during the life of current and future compacts;

AND WHEREAS, the Tribe and the State agree that the State functions of monitoring and oversight of tribal gaming operations in the State of Oregon will be fully funded by the Indian gaming tribes;

AND WHEREAS, Congress has declared that it is a principal goal of federal Indian policy to promote tribal economic development, tribal self-sufficiency and strong tribal government;

AND WHEREAS, IGRA provides for a system of regulation by Indian tribes and the federal government (to the exclusion of the State) of Class I and II Gaming on tribal lands as defined in IGRA;

AND WHEREAS, IGRA establishes a system of agreements between Indian tribes and States for the regulation of Class III Gaming;

AND WHEREAS, IGRA provides that Class III Gaming is lawful on tribal lands only if such activities are (1) located in a state that permits such gaming for any purpose by any person, organization or entity, (2) authorized by tribal ordinance, and (3) conducted in accordance with a tribal-state compact;

AND WHEREAS, the Congressional intent in passing IGRA was to reaffirm a long and well-established principle of federal Indian law as expressed in the United States Constitution, reflected in federal statutes and articulated in decisions of the United States Supreme Court that unless authorized by an act of Congress, the jurisdiction of state governments does not extend to tribal lands;

AND WHEREAS, IGRA does not extend State jurisdiction or the application of State laws for any purpose other than jurisdiction and application of State laws to Class III Gaming conducted on tribal land as set forth in this Compact;

AND WHEREAS, in IGRA, Congress recognized a role for state public policy and state law in the regulation of Class III Gaming;

AND WHEREAS, nothing in this Compact shall be construed to extend to any other activities or as an abrogation of other reserved rights of the Tribe or of the Tribe’s sovereignty; and the Tribe expressly reserves all such rights and sovereign powers;

AND WHEREAS, IGRA is intended to expressly preempt the field in the governance of gaming activities on tribal lands;

AND WHEREAS, the Tribe is authorized to act through ordinance and resolutions adopted by its Tribal Council; subject to the referendum powers of the members of the Tribe;

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AND WHEREAS, the State of Oregon is authorized to act through the Governor of the State;

NOW THEREFORE, in consideration of the mutual undertakings and agreements herein set forth, the Tribe and the State agree as follows:

SECTION 3. DEFINITIONS.

In addition to any terms that may be defined elsewhere in this Compact, the following terms apply to this Compact and have the following meanings:

A. "Background Investigation" means a security and financial history check of an applicant for a Tribal Gaming License, whether the applicant is a prospective High Security Employee, Low Security Employee or Class III Gaming Contractor.

B. "Business Days" means Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific time, excluding State of Oregon holidays.

C. "Cascade Locks Compact" means the separate compact between the State and the Tribe for the regulation of Class III Gaming at the Tribe’s gaming facility in Cascade Locks, Oregon.

D. "Certification" means the inspection process identified in the Minimum Internal Controls used by the State and the Tribe to approve Class III Gaming equipment for used in the Kah-Nee-Ta Facility.

E. "Class II Gaming" means "class II gaming" as defined in 25 U.S.C. § 2703.

F. "Class III Gaming" means all forms of gaming that are not class I gaming or class II gaming as defined in 25 U.S.C. § 2703.

G. "Class III Gaming Contract" means a contract that involves Major or Sensitive Procurements.

H. "Class III Gaming Contractor" is any individual, business or other entity that applies for or is a party to a Class III Gaming Contract.

I. "Consultant" means any person who provides advice or expertise to the Tribe concerning the operation, management or financing of the Tribal Gaming Activities at the Kah-Nee-Ta Facility for compensation, except attorneys or accountants performing those functions. "Consultant" may be either an employee of the Tribal Gaming Operation or a Class III Gaming Contractor. "Consultant" does not include a Class III Gaming Contractor engaged for the purpose of training or teaching employees of the Tribal Gaming Operation or the Tribal Gaming Commission if the contract for those services is no greater than ninety (90) consecutive days in
duration.

J. "Controlling Interest" means fifteen percent (15%) or more of the equity ownership of a company.

K. "Gaming Area" means any area of the Kah-Nee-Ta Facility in which Class III Gaming is conducted, or areas where patrons' transactions related to Class III Gaming are conducted. The Gaming Area includes the cage and adjacent areas that are not separated from the gaming floor by a physical barrier such as a wall, unless otherwise agreed to by the parties to this Compact.

L. "Gaming Crime" means any conduct that would constitute a violation of ORS 167.167 (Cheating) and any other conduct that would constitute a crime involving any controlled item related to, or used in the play of any Class III Gaming. For purposes of this definition, "controlled item" means any item used directly or indirectly in the play of a Class III game that requires secure storage, or restricted access, including but not limited to: Class III playing cards, dice, VLT paper, gaming chips, keno balls, credit/fill slips, hand pay slips, and keys.

M. "High Security Employee" means any natural person who is an employee of the Tribal Gaming Operation and who participates in the operation or management of the Class III Tribal Gaming Operation. "High Security Employee" includes but is not limited to: Tribal Gaming Operations administrators, managers and assistant managers, Kah-Nee-Ta Facility surveillance or security personnel, dealers, croupiers, shift supervisors, cage personnel (including cashiers and cashier supervisors), drop and count personnel, Consultants who are Tribal Gaming Operation employees and who are not Low Security Employees, Primary Management Officials who are Tribal Gaming Operation employees, VLT technicians, junket representatives, information technology staff with access to on-line accounting systems, and any other person whose employment duties require or authorize access to areas of the Kah-Nee-Ta Facility related to Class III Gaming and which are not otherwise open to the public.

N. "Kah-Nee-Ta Facility" means the addition to the Kah-Nee-Ta Lodge constructed by the Tribe on Indian trust lands at the Kah-Nee-Ta Resort on the Reservation, as more specifically described in Exhibit 1, which is attached and incorporated into this Compact, and includes the square footage of any expansion to the Kah-Nee-Ta Lodge devoted to Class II Gaming or Class III Gaming. "Kah-Nee-Ta Facility" also includes any property used to store Class III Gaming equipment.

O. "Key Employee" means any officer or any person who can substantially affect the course of business, make decision, or is in a sensitive position such as a position that allows access to information or items that may affect the fairness, integrity, security or honesty of the Tribal Gaming Activities, in an organization or corporation that is a Class III Gaming Contractor or applicant for a Tribal Gaming License.

P. "Low Security Employee" means any employee of the Tribal Gaming Operation whose duties require the employee’s presence in the Gaming Area but who is not a High Security
Employee and who is not involved in the operation of Class III Gaming. “Low Security Employee” includes but is not limited to employees who are Consultants who are Tribal Gaming Operation employees and who otherwise fall within the definition of “Low Security Employee.” “Low Security Employee” does not include any employee of the Tribal Gaming Operation who is present in the Gaming Area for the sole purpose of conducting banking activities at the cage and whose duties do not require that employee to enter the cage.

Q. "Major Procurement" means any procurement action or contract between the Tribe, the Tribal Gaming Commission, or the Tribal Gaming Operation and a manufacturer, supplier, Consultant who is not an employee of the Tribal Gaming Operation, Primary Management Official who is not an employee of the Tribal Gaming Operation, or management contractor, for the purchase of goods, services, licenses or systems that may directly affect the fairness, integrity, security or honesty of the Tribal Gaming Operation and administration of the Tribal Gaming Activities but that are not specifically identified as a Sensitive Procurement. “Major Procurements” include but are not limited to, procurement actions, arrangements, transactions or contracts:

1. For any goods, services or systems involving the receiving or recording of number selections or bets in any Class III Gaming including but not limited to on-line accounting systems, Keno systems, other random number generation systems and off-track betting systems;

2. For any goods, services, or systems used to determine winners in any Class III Gaming;

3. For purchase, installation, or maintenance of surveillance systems or other equipment used in monitoring Class III Gaming;

4. For licenses to use a patented Class III game or game product;

5. For any goods, services or systems that are a part of or related to a computerized system responsible for receiving, processing or recording data from Tribal Gaming Activities or involved in printing or validating tickets; or

6. Involving or requiring commitments by either party to the procurement action, arrangement, transaction or contract such that there would be substantial financial consequences to one of the parties if the procurement action, arrangement, transaction or contract or procurement action is terminated prematurely. All procurement actions, arrangements, transactions and contracts involving consideration or value of $100,000 or more are deemed to result in substantial financial consequences to one of the parties if the procurement action, arrangement, transaction or contract is terminated prematurely.

R. “Minimum Internal Controls” means the Tribal/State “Minimum Standards for Internal Controls” attached as Exhibit 2 and incorporated into this Compact, including revisions made

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pursuant to Section 9, Section A of this Compact.

S. "Oregon State Police" or "OSP" means the Gaming Enforcement Division, or that administrative unit, of the Oregon Department of State Police established under ORS 181.020, charged with gaming enforcement responsibilities, or its successor agency established by law.

T. "Owner" means any person or entity that owns five percent (5%) or more of the equity ownership of an entity, alone or in combination with another person who is a spouse, parent, child or sibling of that person or who is a spouse, parent, child, or sibling of any officer or any person who can substantially affect the course of business, make decisions, or is in a sensitive position in that entity.

U. "Primary Management Official" means any person who:

1. Has executive level management responsibility for part or all of the Class III Gaming, whether as an employee or under a Class III Gaming Contract for management services;

2. Has authority -
   
a. to hire and fire Class III Gaming supervisory employees; or

   b. to set or otherwise establish policy for the Tribal Gaming Operation; or

3. Is the chief financial officer or other person who has financial management responsibility for the Tribal Gaming Operation.

V. "Provisional Tribal Gaming License" means a license issued pursuant to Section 7(A)(8) of this Compact.

W. "Sensitive Procurement" means any procurement action arrangement, transaction or contract between the Tribe, the Tribal Gaming Commission or the Tribal Gaming Operation and a manufacturer, supplier, Consultant who is not an employee of the Tribal Gaming Operation, Primary Management Official who is not an employee of the Tribal Gaming Operation, or management contractor, for the purchase of goods, services, or systems related to Tribal Gaming Activities of the kind or in the classes listed below. Sensitive Procurements include but are not limited to procurement actions, arrangements, transactions or contracts for the following goods, services and systems (some of which may otherwise fall within the definition of Major Procurement but are hereby excluded from Major Procurement):

1. Class III Gaming equipment such as cards, dice, keno balls, roulette wheels, roulette balls, chips, tokens, keno and VLT paper, Class III Gaming tables and table layouts;
2. VLT replacement parts that do not affect the outcome of the game including bill acceptors, printers, monitors, locks and keys for secure storage areas or Class III Gaming devices, individual surveillance cameras, or individual surveillance recording devices.

3. Design of surveillance systems.

4. Class III Gaming consulting or training services, excluding procurement actions, arrangements, transactions or contracts with attorneys, accountants, and political or public relations consultants.

5. Any other goods, services and systems, including goods, services and systems otherwise within the definition of Major Procurement, that OSP and the Tribal Gaming Commission agree are a Sensitive Procurement.

X. "Table Game" means any individual game of Class III Gaming allowed under this Compact except VLT games, keno, off-race course pari-mutuel wagering, and race book.

Y. "Tribal Gaming Activities" means the conduct and regulation of the Tribal Gaming Operation and all other tribal activities directly related to the operation of Class III Gaming.

Z. "Tribal Gaming Commission" or "Commission" means the entity established pursuant to tribal law with independent authority to regulate gaming activities on tribal lands.

AA. "Tribal Gaming License" means a license issued by the Tribal Gaming Commission to Primary Management Officials, High Security Employees, Low Security Employees and Class III Gaming Contractors in accordance with the requirements of this Compact.

BB. "Tribal Gaming Operation" means the entity, whether or not separately incorporated, that operates Class III Gaming under tribal authority, and receives revenues, issues prizes and pays expenses in connection with Class III Gaming authorized under this Compact.

CC. "Tribal Gaming Ordinance" means the ordinance adopted by the Tribe to govern the conduct of Class III Gaming, as required by IGRA, including subsequent amendments.

DD. "Tribal Internal Controls" means the internal controls and standards adopted by the Tribal Gaming Commission to regulate the security of the Kah-Nee-Ta Facility and the play of Class III Gaming.

EE. "Video Lottery Terminal," "VLT" or "Terminal" means any electronic or other device, contrivance or machine where the game outcome decision-making portion of the overall assembly is microprocessor controlled wherein the ticket or game outcome is displayed on a video display screen, electronically controlled physical reels, or other electronic or electromechanical display mechanism and that is available for consumer play by one player at a time at the device upon payment of any consideration, with winners determined by the application of the
element of chance and the amount won determined by the possible prizes displayed on the device and which awards game credits. Such device also displays both win amounts and current credits available for play to the player.

FF. “Violation” means:

1. Failure to comply with any of the following: applicable federal, state or tribal laws, including but not limited to National Indian Gaming Commission regulations, Compact provisions (including the Minimum Internal Controls), the Tribal Gaming Ordinance, and Tribal Internal Controls; or

2. A significant failure to comply with, or pattern of failures to comply with, the policies and procedures that implement and apply to the items listed under number 1, above.

SECTION 4. AUTHORIZED CLASS III GAMING.

A. This Compact shall be the only Compact between the Tribe and the State authorizing the conduct of Class III Gaming on the Reservation, and any and all Class III Gaming conducted in the Kah-Nee-Ta Facility shall be pursuant to this Compact. To the extent that elements of this Compact need to be altered to incorporate changes to the agreements between the parties—including to permit additional Class III Gaming—the parties shall provide such changes in accordance with Section 13(E) of this Compact.

B. Authorized Games.

1. Subject to the provisions of this Compact and except as provided in Section 4(F) and Section 4(G), the Tribe may engage in only the following Class III Gaming: Video Lottery Terminal games, keno, and off-race course mutuel wagering.

2. This Section 4(B) shall be construed consistent with federal classification of gaming activities. Notwithstanding any provision of this Compact, any gaming activity classified by federal regulation as Class II Gaming is not subject to the provisions of this Compact.

C. Gaming Location. Class III Gaming authorized under this Compact shall be conducted only at the Kah-Nee-Ta Facility. The Kah-Nee-Ta Facility at which Class III Gaming is authorized under this Compact shall be located on the Reservation at the site of the Kah-Nee-Ta Lodge. If the State authorizes the Tribe to conduct Class III Gaming at a location other than the Kah-Nee-Ta Facility, the Tribe shall cease all Class III Gaming at the Kah-Nee-Ta Facility prior to conducting Class III Gaming at the other authorized location.

D. Number of Video Lottery Terminals. The number of Video Lottery Terminals authorized by this Compact at the Kah-Nee-Ta Facility is four hundred (400).

E. Off-Track Mutuel Wagering. The Tribe may conduct off-track mutuel wagering on races
held at race courses within or outside the State. Any off-track mutuel wagering on races held at race courses outside the State shall be conducted in compliance with the applicable requirements of the Interstate Horseracing Act of 1978, as amended, (15 U.S.C. § 3001 to 3007). All off-track mutuel wagering at the Kah-Nee-Ta Facility shall be conducted in person, and no wagers may be accepted by telephone or other electronic medium.

F. **House-Banked Blackjack Authorized at the Kah-Nee-Ta Facility.**

1. In addition to the Class III Gaming identified in Section 4(B), and subject to the conditions prescribed in this Section 4(F), the Tribe may engage in house-banked Blackjack at the Kah-Nee-Ta Facility.

2. The Tribe represents and warrants that the Tribal Gaming Commission:

   a. Has developed and maintains current rules and procedures applicable to house-banked Blackjack for a system of internal controls that meets the Minimum Internal Controls.

   b. Provides appropriate training for all dealers, supervisors and surveillance personnel involved in house-banked Blackjack, and for all tribal gaming inspectors, according to the Minimum Internal Controls.

   c. Ensures that there is established a security and surveillance plan that meets the Minimum Internal Controls.

   d. Has adopted and maintains rules of operation for house-banked blackjack that meet the Minimum Internal Controls, including rules of play and standards for equipment.

   e. Has adopted and maintains a dispute resolution procedure that provides for investigation and review of any player complaint.

3. The Tribe shall establish an initial wager limit of one hundred dollars ($100) per hand, except that the Tribe may offer a maximum wager limit of five hundred dollars ($500) per hand on two tables. After any period of six months of operation of house-banked blackjack in full compliance with the requirements of this subsection, the Tribe may request a change in the initial wager limit. The State may refuse to agree to an increase in the initial wager limit if there have been any significant problems with the conduct of house-banked blackjack due to noncompliance with the internal controls, the rules of operation of the game or with the terms of this Section 4(H). The amount of any increase in the wager limit must be agreed to by both the State and the Tribe.

4. The Tribe may operate a maximum of eight tables of house-banked blackjack at the Kah-Nee-Ta Facility during the term of this Compact.
5. The Tribe agrees to cooperate with State and local law enforcement on the investigation and prosecution of any Gaming Crime at the Kah-Nee-Ta Facility. The Tribe and the State agree to cooperate in establishing a state-wide system to identify and monitor persons excluded from the Kah-Nee-Ta Facility or from any other tribal gaming facility in this State.

G. Additional Authorized Table Games at the Kah-Nee-Ta Facility.

1. In addition to the Class III Gaming identified in Section 4(B) and Section 4(F), and subject to the conditions prescribed in this Section 4(G), the Tribe may engage in the following Table Games:

a. any side-bet variations of house-banked blackjack that do not alter the course of play of the game,

b. Spanish 21,

c. craps,

d. roulette,

e. pai-gow poker,

f. Caribbean stud poker,

g. three-card poker,

h. let-it-ride,

i. mini-baccarat,

j. big 6 wheel,

2. For a period not to exceed nine (9) months prior to the date scheduled for commencement of Class III Gaming at the Tribe’s gaming facility in Cascade Locks, Oregon under the Cascade Locks Compact, the Tribe may operate up to a maximum of eight (8) Table Games, in any combination, from the Table Games listed in Section 4(G)(1). The State shall agree to extend this nine (9) month period for a maximum period not to exceed fifteen (15) months if the Tribe is operating Table Games under this Section 4(G) without significant Compact violations, and the date scheduled for commencement of Class III Gaming at the Tribe’s gaming facility in Cascade Locks, Oregon under the Cascade Locks Compact is delayed from the initially scheduled date upon
which the nine (9) month period is based. Notwithstanding the actual authorized period of
time for operating Table Games under this Section 4(G), the Tribe shall cease operating all
Table Games at the Kah-Nee-Ta Facility on the date the Tribe commences Class III Gaming
at the Tribe’s gaming facility in Cascade Locks, Oregon under the Cascade Locks Compact.

3. Unless the parties agree to a shorter period, at least sixty (60) calendar days
before any Table Games authorized under this Section 4(G) are conducted at the Kah-
Nee-Ta Facility, the Tribal Gaming Commission shall:

a. Ensure that the Tribal Gaming Operation develops rules and procedures
for a system of internal controls for the Table Games that meets the Minimum
Internal Controls.

b. Require that the Tribal Gaming Operation provide appropriate training for
all dealers, supervisors, surveillance personnel and any other employees involved
in the conduct or regulation of the Table Games and for the Tribal Gaming
Commission, such that those being trained have the knowledge and skills required
under typical industry standards for the job function being performed, including
but not limited to player money management and betting, card counting and
detection of cheating methods. The Tribal Gaming Commission shall notify OSP
prior to beginning this training and shall provide OSP an opportunity to
participate.

c. Ensure that the Tribal Gaming Operation establishes a security and
surveillance plan for the Table Games that meets the Minimum Internal Controls.

d. Adopt rules of operation for the Table Games that meet the Minimum
Internal Controls, including rules of play and standards for equipment.

e. Notify OSP that the Tribe proposes to offer the Table Games to the public
and, at the same time, certify in writing that the requirements of this Section G(3)
have been met, and provide to OSP for review all of the internal controls,
regulations, plans, procedures and rules required under subsection 4 of this
Section 4(G).

4. Unless the parties agree to a shorter period, at least sixty (60) calendar days
before any Table Games authorized under this Section 4(G) are conducted at the Kah-
Nee-Ta Facility, the Tribe’s must demonstrate to OSP’s reasonable satisfaction that the
Tribe has adopted appropriate internal controls, surveillance plans, game rules and
procedures, that meet gaming industry standards for the authorized Table Games. OSP
shall notify the Tribe in writing within five (5) Business Days following the conclusion of
the demonstration whether or not OSP is reasonably satisfied that the Tribe has complied
with the foregoing obligation. If OSP believes that the Tribe has not adopted appropriate
internal controls, surveillance plans, game rules and procedures, that meet gaming

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industry standards for the authorized Table Games, then OSP shall provide written notice to the Tribe detailing the perceived deficiencies, and OSP and the Tribe shall meet within ten (10) Business Days of the notice and mutually address OSP's concerns before any Table Games authorized under this Section 4(G) are conducted at the Gaming Facility. The parties agree that the rules of operation applicable to Class III Gaming currently conducted at the Kah-Nee-Ta Facility, including rules of play and standards for equipment, are deemed to meet OSP's reasonable satisfaction for purposes of the Table Games that the Tribe is authorized to conduct under this Section 4(G). Further, the Tribe and State must agree that the Tribal Gaming Commission and OSP are adequately prepared to regulate and monitor the Table Games, including agreement that the Tribal Gaming Operation has sufficient adequately trained personnel to supervise the conduct of the Table Games, and that the Tribal Gaming Commission has sufficient adequately trained personnel to monitor and regulate conduct of the Table Games.

5. The Tribe shall establish wager limits for all Table Games. The Tribe shall establish a maximum wager of $500 per hand, including side bets, for each Table Game.

SECTION 5. JURISDICTION.

A. In General.

1. The Tribe and federal government have criminal jurisdiction over offenses committed within the Reservation by Indians. The criminal laws of the Tribe, and the federal government where applicable, shall govern the criminal conduct of Indians on the Reservation. The Tribe has a Police Department, a Tribal Court and a facility for incarceration of Indian offenders.

2. The State and federal government have criminal jurisdiction over offenses committed by non-Indians within any gaming facility and over offenses committed by Indians outside the exterior boundaries of the Reservation. The criminal laws of the State shall be applicable to non-Indians and have the same force and effect at the Kah-Nee-Ta Facility as they have on non-tribal lands within the State. The enforcement of criminal laws with respect to non-Indians at the Kah-Nee-Ta Facility shall be established pursuant to and by a memorandum of understanding to be executed by the Tribe and the Oregon State Police. The State shall make reasonable efforts to enforce the criminal laws applicable to offenses committed by non-Indians within the Kah-Nee-Ta Facility and the Reservation.

B. Except as provided in the memorandum of understanding executed in accordance with the foregoing Section 5(A)(2), law enforcement officers of the State of Oregon, or officers of the State of Oregon, or officers designated by the State, shall have free access to anywhere within the Kah-Nee-Ta Facility for the purpose of maintaining public order and public safety, conducting investigations related to possible criminal activity and enforcing applicable laws of the State with respect to non-Indians. Any law enforcement activities undertaken by law enforcement officers of the State shall be in compliance with this Compact and applicable inter-governmental agreements.
The Tribe, or individuals acting on their behalf, shall provide State law enforcement officers or officers designated by the State access to locked and secured areas of the Kah-Nee-Ta Facility in accordance with the regulations for the operation and management of the Tribal Gaming Operation.

C. Subject to the provisions of Section 10(B)(1) of this Compact, the Tribe agrees to provide appropriate training in tribal culture, governmental structure and history to any officer assigned to the Kah-Nee-Ta Facility.

D. **Mutual Respect.** Both parties recognize that all representatives of both sovereign governments deserve to be treated with dignity and respect and commit that their representatives will conduct themselves in a professional manner in all contacts relating to this Compact.

**SECTION 6. PRINCIPLES GOVERNING GAMING OPERATIONS DECISIONS.**

A. The Tribe and the State agree that maintaining the fairness, integrity, security and honesty of the Tribal Gaming Operation is essential both to the success of the enterprise and to satisfy the interests of the State and of the Tribe. The Tribe and the State agree that both of them have responsibility to protect the patrons of the Kah-Nee-Ta Facility from any breach of security of the Tribal Gaming Operation. Accordingly, all decisions by the Tribe, the Tribal Gaming Commission and the management of the Tribal Gaming Operation concerning regulation and operation of the Kah-Nee-Ta Facility, including those decisions expressly placed within the Tribe's discretion under the terms of this Compact, shall be consistent with each of the following principles:

1. Any and all decisions concerning regulation and operation of the Tribal Gaming Operation, whether made by the Tribe, the Tribal Gaming Commission or the management of the Tribal Gaming Operation shall reflect the particularly sensitive nature of a gaming operation.

2. In order to maintain the fairness, integrity, security and honesty of the Tribe's gaming operation, the Tribe, the Tribal Gaming Commission and the management of the Tribal Gaming Operation shall work diligently and take all reasonably necessary affirmative steps to prevent cheating and theft, and to protect the gaming operations from the influence or control by any form of criminal activity or organization.

3. The fairness, integrity, security and honesty of the Tribal Gaming Operation shall be of paramount consideration in awarding contracts, licensing and hiring employees, and in making other business decisions concerning the Tribal Gaming Operation. The Tribe, the Tribal Gaming Commission and the management of the Tribal Gaming Operation shall knowingly make no decisions that compromise the fairness, integrity, security or honesty of the Tribal Gaming Operation.

4. Regulation and operation of the Tribal Gaming Activities shall be, at a minimum, consistent with generally accepted gaming industry standards and practices, in order to maintain the fairness, integrity, security and honesty of the Tribal Gaming Operation.

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B. **Procedure for Resolving Disputes Concerning Operational Decisions.**

1. If the State, in good faith, believes that any decision by the Tribal Gaming Commission or management of the Tribal Gaming Operation relating to the employment or licensing of any employee, to the awarding of any contract, or to the Tribal Gaming Operation is inconsistent with the principles set forth in Section 6(A), or any other requirement of this Section 6, the State may give written notice to the Tribal Gaming Commission. The written notice shall describe the factual basis for the State’s concern.

2. The parties shall meet and confer within fifteen (15) calendar days after the Tribal Gaming Commission receives the notice unless indicated otherwise in the State’s notice. The State may request that the parties meet on an expedited basis, no earlier than five (5) calendar days after the Tribal Gaming Commission receives the notice.

3. If the State’s concern is not resolved informally, either party may initiate non-binding arbitration within forty-five (45) calendar days after the service of the written notice to the other party.

   a. An arbitrator shall be selected in the following manner:

      (i) The parties shall obtain a list of qualified arbitrators from U.S. Arbitration and Mediation of Oregon, or any other arbitration panel agreed to by the parties.

      (ii) Each party, in turn, shall strike one name from the list, until one name remains. The parties shall draw lots to determine which party makes the first strike.

   b. Upon agreement by both parties, the arbitration proceeding shall be binding.

   c. The parties shall divide the cost of the arbitration proceeding equally between them. The State’s share of the cost of the arbitration must be paid from a source of funds other than the funds of the OSP Tribal Gaming Section.

4. Upon conclusion of the arbitration proceeding, if the parties have not elected to be bound by that result, either party may initiate an action in the United States District Court for the District of Oregon as provided in Section 17 of this Compact.

5. **Expedited Procedure.**

   a. If the State, in good faith, believes that there is an immediate threat to the fairness, integrity, security and honesty of the Tribal Gaming Operations, and
believes that substantial harm will result during the time that would pass if the procedure established in Sections 6(B)(1) through 6(B)(3) is followed, the State shall give written notice to the Tribal Gaming Commission. The written notice shall describe the factual basis for the State's concern. The written notice shall recommend specific action or actions the State believes will prevent substantial harm from occurring. The State and the Tribal Gaming Commission shall meet and confer, in person or by conference call, within 24 hours after the Tribal Gaming Commission, or any member thereof, receives the notice. The Tribal Gaming Commission shall consider the State's recommendation, and immediately thereafter shall institute such action that expeditiously addresses the State's concern or shall take such other action as mutually agreed by the Tribal Gaming Commission and the State as necessary to protect the fairness, integrity, security and honesty of the Tribal Gaming Operation. Nothing in this subparagraph shall preclude either party from invoking the dispute resolution procedures provided in this Compact after the Tribal Gaming Commission has taken action.

b. If the State's concern is not resolved informally, the State may initiate an action in the United States District Court for the District of Oregon as provided in Section 17 of this Compact.

c. An immediate threat to the fairness, integrity, security and honesty of the Tribal Gaming Operation includes but is not limited to the following examples:

(i) A criminal indictment is filed against any Class III Gaming Contractor, Key Employee, or any High Security Employee;

(ii) A criminal organization or members of a criminal organization have obtained an ownership interest in a Class III Gaming Contractor, or a member of a criminal organization has become a Key Employee of a Class III Gaming Contractor;

(iii) A malfunction of gaming equipment hardware or software causes patrons of the Kah-Nee-Ta Facility to lose money, and that loss is directly related to the equipment malfunction.

(iv) The security of gaming equipment has been impaired by loss, theft, or tampering;

(v) The physical safety or security of patrons is seriously at risk;

(vi) A continuing pattern of failure by the Tribal Gaming Commission or management of the Tribal Gaming Operation to enforce compliance with the provisions of this Compact, or the regulations and Minimum Internal Controls governing the Tribal Gaming Operation.
6. The provisions of this Section 6 shall provide the preferred method for resolving disputes as to the Tribe’s decisions concerning hiring under Section 7 and contracting under Section 8, and disputes concerning the Tribal Gaming Operation.

SECTION 7. LICENSING.

A. Licensing of Gaming Employees.

1. All High Security Employees and Low Security Employees employed in the Kah-Nee-Ta Facility shall be licensed by the Tribal Gaming Commission in accordance with the provisions of this Compact.

2. All prospective employees -- whether High Security Employees or Low Security Employees -- shall provide to the Tribal Gaming Commission any required application fees and full and complete information, on forms jointly developed and approved by the Tribal Gaming Commission and the Oregon State Police, including but not limited to:

   a. Full name, including any aliases by which the applicant has been known;
   b. Social Security number;
   c. Date and place of birth;
   d. Residential addresses for the past five years;
   e. Employment history for the past five years;
   f. Driver’s license number or state-issued or tribal-issued identification card;
   g. All licenses issued and disciplinary actions taken by any State agency or local or federal agency or tribal gaming agency;
   h. All criminal proceedings, except for minor traffic offenses, to which the applicant has been a party;
   i. A current photograph; and
   j. Any other information required by the Tribal Gaming Commission or OSP.

3. In addition to the requirements of Section 7(A)(2), prospective Low Security Employees and High Security Employees shall provide two sets of fingerprints.
4. Background Investigations and Reporting

a. Conduct of Investigations

(i) Except as otherwise provided in subsections (ii), (iii) and (iv) of this subsection (4)(a), the Tribal Gaming Commission shall conduct a Background Investigation for each prospective Low Security Employee and each prospective High Security Employee, consistent with the requirements of this Compact.

(ii) In OSP’s discretion, which shall not be unreasonably exercised, the OSP may supplement any Tribal Gaming Commission Background Investigation or may conduct a separate Background Investigation.

(iii) In the event that OSP is or becomes aware of information concerning the subject of a Background Investigation that suggests the necessity of further investigation, the OSP shall immediately notify the Tribal Gaming Commission and provide the Tribal Gaming Commission with the opportunity to consider such information and take further action unless OSP determines that providing information would be contrary to law, would hamper an investigation or would be detrimental to the fairness, integrity, security or honesty of the Tribal Gaming Operation.

(iv) In the interest of the fairness, integrity, security and honesty of Class III Gaming and on the behalf of the Tribe, OSP shall conduct all Background Investigations on prospective Tribal Gaming Commission members, prospective Low Security Employees and prospective High Security Employees who are family members of the Tribal Gaming Commission, and on any other person the Tribal Gaming Commission identifies as having a potential conflict of interest with a member of the Tribal Gaming Commission. The Tribal Gaming Commission shall forward the applicant information to OSP for each prospective Tribal Gaming Commission member, each prospective Low Security Employee and each prospective High Security Employee who is a family member of a Tribal Gaming Commission member. For purposes of this subsection (iv), “family members” include the current or former spouse of a Tribal Gaming Commission member; and the children, siblings and parents of a Tribal Gaming Commission member or of a spouse of the Tribal Gaming Commission member.

(v) The Tribal Gaming Commission may request OSP to perform a Background Investigation on any prospective Low Security Employee or prospective High Security Employee and shall forward the application information to OSP for these prospective employees. Upon such request,
OSP may conduct the background investigation.

b. Reporting

The party conducting the Background Investigation shall provide a written report to the other party within a reasonable period of time, but in no event later than sixty (60) calendar days following receipt of a completed application without notice to the other party. The party providing the written report shall include in the report: the applicant information required under Section 7(A)(2), above, the investigative report, criminal history report, credit report, one photograph, available relevant tribal court records, and any other information the reporting party deems relevant.

5. Denial of Tribal Gaming License

a. Except as provided in Section 7(A)(6), the Tribal Gaming Commission shall deny a Tribal Gaming License to any High Security Employee or Primary Management Official who:

   (i) Has, within the ten-year period preceding the date of application for a license, been adjudicated a felon on charges other than a traffic offense, whether or not conviction of such a felony has been expunged, under the law of any federal, state or tribal jurisdiction, or is the subject of a civil judgment under the law of any federal, state or tribal jurisdiction that is based on a judicial finding of facts that constitute the elements of a felony other than a traffic offense, in that jurisdiction, or if the Oregon State Police informs the Tribal Gaming Commission that it has determined, based on reasonably reliable information, that the applicant has engaged in conduct that constitutes the elements of such a felony, such that the conduct could be proved by a preponderance of the evidence.

   (ii) Has been convicted of a crime involving unlawful gambling under the law of any federal, state or tribal jurisdiction, whether or not conviction of such has been expunged, or is the subject of a civil judgment under the law of any federal, state or tribal jurisdiction that is based on a judicial finding of facts that constitute the elements of a crime involving unlawful gambling in that jurisdiction, or if the Oregon State Police informs the Tribal Gaming Commission that it has determined, based on reasonably reliable information, that the applicant has engaged in conduct that constitutes the elements of a crime involving unlawful gambling, such that the conduct could be proved by a preponderance of the evidence.

   (iii) Has associated in a direct business relationship, whether as a partner, joint venturer or employer, with any person who has been
convicted of a felony, other than a traffic offense, or a crime involving unlawful gambling, under the law of any federal, state or tribal jurisdiction, or if the Oregon State Police informs the Tribal Gaming Commission that it has determined, based on reasonably reliable information, that the person has engaged in conduct that constitutes the elements of such a felony or a crime involving unlawful gambling, such that the conduct could be proved by a preponderance of the evidence.

(iv) Was employed by any other person who has been convicted of a felony on charges other than a traffic offense, or a crime involving unlawful gambling, under the law of any federal, state or tribal jurisdiction, or if the Oregon State Police informs the Tribal Gaming Commission that it has determined, based on reasonably reliable information, that the person has engaged in conduct that constitutes the elements of such a felony or crime involving unlawful gambling, such that the conduct could be proved by a preponderance of the evidence, if the prospective employee or official was in any way involved in the criminal activity as it occurred.

(v) Has been subject to convictions or judicial findings of offenses, other than a traffic offense, that demonstrates a pattern of disregard for the law, or if the Tribal Gaming Commission or the Oregon State Police determines, based on reasonably reliable information, that the applicant has engaged in conduct that demonstrates a pattern of disregard for the law, such that the conduct could be proved by a preponderance of the evidence.

(vi) For purposes of this Section 7(A)(5), "reasonably reliable information" shall mean information which would be admissible in a civil court proceeding over an objection under the Federal or Oregon Rules of Evidence.

b. The Tribe shall deny a Tribal Gaming License to any prospective High Security Employee if:

(i) The applicant fails to disclose any material fact to the Tribal Gaming Commission or the OSP or its authorized agents during a Background Investigation, unless the Tribal Gaming Commission or OSP determine that the failure to disclose was not intentional; or

(ii) The applicant misstates or falsifies a material fact to the Tribal Gaming Commission or OSP during a Background Investigation, unless the Tribal Gaming Commission or OSP determine that the misstatement or falsification was not intentional.
c. The Tribal Gaming Commission may deny a Tribal Gaming License to any prospective High Security Employee for any reason the Tribal Gaming Commission deems sufficient. Such decisions to grant or deny a Tribal Gaming License shall be consistent with the principles set forth in Section 6. In determining whether to deny a Tribal Gaming License to any prospective High Security Employee, the factors to be considered by the Tribal Gaming Commission shall include, but need not be limited to, the following:

(i) Whether the applicant has been convicted of any crime (other than a crime listed in Section 7(A)(5)(a)) in any jurisdiction; or

(ii) Whether the applicant has associated with persons or businesses of known criminal background, or persons of disreputable character, that may adversely affect the general credibility, fairness, integrity, security, honesty or reputation of the Tribal Gaming Operation; or

(iii) Whether there is any aspect of the applicant’s past conduct that the Tribal Gaming Commission determines would adversely affect the fairness, integrity, security or honesty of Tribal Gaming Operation.

d. The Tribal Gaming Commission shall deny a Tribal Gaming License to any prospective Low Security Employee who is disqualified according to the criteria set forth in Section 7(A)(5)(a)(i) or (ii). The Tribal Gaming Commission may deny a Tribal Gaming License to any Low Security Employee applicant who is disqualified according to the criteria set forth in the remainder of this Section 7(A)(5). Decisions to grant or deny a Tribal Gaming License shall be consistent with the principles set forth in Section 6.

e. The Tribal Gaming Commission may reject an application if the applicant has not provided all of the information requested in the application.

f. Denial of a Tribal Gaming License by the Tribal Gaming Commission is final.

g. No High Security Employee may receive a Tribal Gaming License from the Tribal Gaming Commission until all Background Investigations required under Section 7(A)(4) are completed, except as otherwise provided in Section 7(A)(8).

h. Subsections a through g of this Section 7(A)(5) do not apply to Tribal Gaming Licenses issued before the effective date of this Compact, nor do those subsections apply to renewals of those Tribal Gaming Licenses as long as renewal is at the same Tribal Gaming License level. Tribal Gaming Licenses issued
before the effective date of this Compact, including renewals of those Tribal Gaming Licenses at the same Tribal Gaming License level, remain subject to the licensing provisions of the Original Compact which are incorporated by reference into this Compact only for this limited purpose. Changes to the level of a Tribal Gaming License are subject to subsections a through g of this Section 7(A)(5).

6. **Waiver of Disqualifying Criteria.**

a. If a prospective High Security Employee or prospective Low Security Employee is disqualified for licensing under the provisions of Section 7(A)(5), and the Tribal Gaming Commission believes that there are mitigating circumstances that justify waiver of the disqualifying factor, the Tribal Gaming Commission may give written notice to the Oregon State Police asking to meet or confer concerning waiver of the disqualification. The Tribal Gaming Commission and the State shall meet or confer within fifteen (15) calendar days after written notice is given.

b. In order for the Tribal Gaming Commission to waive disqualification of licensing of any prospective High Security Employee or prospective Low Security Employee, the Oregon State Police must agree to the waiver. In the event that the OSP does not agree to the waiver, the OSP shall provide the Tribal Gaming Commission with a detailed explanation of the reasons for the disagreement. The Oregon State Police will not withhold agreement arbitrarily.

c. Waiver of disqualification for licensing may be based on one or more of the following circumstances:

(i) Passage of time since conviction of a crime;

(ii) The applicant’s age at the time of conviction;

(iii) The severity of the offense committed;

(iv) The overall criminal record of the applicant;

(v) The applicant’s present reputation and standing in the community;

(vi) The nature of the position for which the application is made;

(vii) The nature of a misstatement or omission made in the application;

(viii) In the event that the applicant was convicted of a crime that was due in part to alcohol or drug dependency, the applicant’s participation in any treatment program for this dependency and the applicant’s progress in

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recovery from this dependency.

(ix) Whether the Tribe’s goal of providing employment for tribal members and their spouses is advanced because the applicant is an enrolled member of the Tribe, is married to an enrolled member of the Tribe, or is an enrolled member of another Indian tribe; or

(x) Whether the Tribal Gaming Commission has personal knowledge of the applicant’s character.

d. The Oregon State Police may agree to a waiver subject to conditions imposed by the Tribal Gaming Commission, such as a probationary period, restrictions on duties, or specific kinds of supervision.

7. Background Investigation During Employment.

a. The Tribal Gaming Commission may conduct additional Background Investigations of any High Security Employee or Low Security Employee at any time during the term of employment to determine continued eligibility for a Tribal Gaming License. If, after investigation, the Tribal Gaming Commission determines there is cause for revocation of the Tribal Gaming License of any High Security Employee or Low Security Employee under the criteria established in Section 7(A)(5), the Tribal Gaming Commission shall revoke the Tribal Gaming License and shall provide a report of the investigation and revocation to OSP.

b. OSP may conduct additional Background Investigations of any High Security Employee or Low Security Employee at any time during the term of employment. OSP will notify the Tribal Gaming Commission of the investigation and the reason for it, unless OSP determines that to do so would hinder an ongoing investigation, or would be detrimental to the fairness, integrity security or honesty of the Tribal Gaming Operation, or would be otherwise contrary to law. If, after investigation, the Oregon State Police determine there is cause for the revocation of the Tribal Gaming License of any employee under the criteria established in Section 7(A)(5), it shall promptly so report to the Tribal Gaming Commission and furnish the Tribal Gaming Commission with copies of all relevant information pertaining to such determination. The Tribal Gaming Commission shall review OSP’s report and supporting materials and if the report establishes the existence of any criterion for revocation that is set forth in Section 7(A)(5), the Tribal Gaming License shall be revoked.

8. Provisional Tribal Gaming Licenses

a. Except as provided in Section 7(A)(8)(b), the Tribal Gaming Commission
may issue a Provisional Tribal Gaming License to High Security Employees and Low Security Employees upon completion of a review of the personal disclosure form, applicant’s computerized criminal history check and applicant’s credit check by the Tribal Gaming Commission if the applicant is not disqualified on the basis of the results of these reviews and checks.

b. If the Tribal Gaming Commission requests OSP to conduct an applicant’s Background Investigation or OSP conducts an applicant’s Background Investigation pursuant to Section 7(A)(4)(iv), and the Tribal Gaming Commission includes notice to OSP of the Commission’s intent to issue a Provisional Tribal Gaming License with the applicant information it provides to OSP under Section 7(A)(4), then OSP shall notify the Tribal Gaming Commission as soon as reasonably practicable but in no event later than ten (10) Business Days after OSP receives the notice and required applicant information whether the applicant is eligible for a Provisional Tribal Gaming License. If OSP does not notify the Tribal Gaming Commission whether the applicant is eligible for a Provisional Tribal Gaming License within this ten (10) Business Day period, the applicant is deemed eligible for a Provisional Tribal Gaming License.

c. The Tribal Gaming Commission agrees to submit Primary Management Officials’ fingerprint cards to OSP at least ten (10) Business Days prior to issuing a Provisional Tribal Gaming License to a Primary Management Official.

d. The Tribal Gaming Commission shall immediately revoke the Provisional Tribal Gaming License of any High Security Employee and any Low Security Employee and shall require the Tribal Gaming Operation to immediately terminate employment if it is determined during the Background Investigation that the person does not qualify for a Tribal Gaming License. Otherwise, an employee’s Provisional Tribal Gaming License shall expire on the date it is determined that the employee is eligible for a Tribal Gaming License, and a Tribal Gaming License is issued to that employee. No Provisional Tribal Gaming License shall exceed ninety (90) calendar days following the date the Provisional Tribal Gaming License is issued unless OSP agrees to the extension of the Provisional Tribal Gaming License.

9. Duration of Tribal Gaming License and Renewal. Any Tribal Gaming License shall be effective for not more than three (3) years from the date of issue except that a licensed employee who has applied for Tribal Gaming License renewal may continue to be employed under the expired Tribal Gaming License until final action is taken on the renewal application in accordance with the provisions of Section 7(A)(2) through Section 7(A)(5). Applicants for Tribal Gaming License renewal shall provide updated information and any renewal fee required by the Tribal Gaming Commission to the Tribal Gaming Commission on a form jointly developed and approved by the Tribal Gaming Commission and the Oregon State Police. The applicant will not be required to resubmit
historical data already provided. The Tribal Gaming Commission may perform a new Background Investigation for any employee whose Tribal Gaming License is requested to be or has been renewed.

10. **Revocation of Tribal Gaming License.** The Tribal Gaming Commission may revoke the Tribal Gaming License of any employee pursuant to policies determined by the Tribal Gaming Commission. Upon determination that an employee is disqualified according to the criteria described in Section 7(A)(5) above, the Tribal Gaming Commission shall:

   a. Immediately revoke the employee’s Tribal Gaming License and require the Tribal Gaming Operation to immediately terminate employment; or

   b. Waive revocation if OSP and the Tribal Gaming Commission immediately agree that a waiver pursuant to Section 7(A)(6) is appropriate; or

   c. Suspend the employee’s Tribal Gaming License and require the Tribal Gaming Operation to immediately suspend employment pending a determination as to whether OSP and the Tribal Gaming Commission agree to a waiver pursuant to Section 7(A)(6).

11. The Tribal Gaming Operation shall maintain a procedural manual or manuals that includes rules and regulations relating to gaming activities and provides that breach of these procedures, rules or regulations may result in sanctions.

12. The Tribal Gaming Commission agrees to provide to the Oregon State Police, on a monthly basis, a list of all current employees of the Kah-Nee-Ta Facility which indicates the position held and whether each employee listed is licensed as a High Security Employee or Low Security Employee, if applicable. This list shall include information about termination of any employee, and any suspension, revocation or renewal of an employee’s Tribal Gaming License.

**SECTION 8. CLASS III GAMING CONTRACTS**

**A. Major Procurements.**

1. The Tribe agrees not to consummate any new Class III Gaming Contract or renew any existing Class III Gaming Contract for a Major Procurement unless it is in writing. Subject to the provisions of Section 8(A)(3), the Tribe also agrees not to consummate any contract until the Tribal Gaming Commission has submitted to OSP a letter of intent to do business with the proposed Class III Gaming Contractor for a Major Procurement, a Background Investigation has been completed by the Oregon State Police, and OSP has determined that the proposed Class III Gaming Contractor meets the criteria for licensing under this Compact. All Class III Gaming Contracts consummated by the Tribe shall

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include a provision that gives the State authority to suspend or prohibit the shipment of any and all Class III Gaming supplies or devices as authorized under Section 11(F).

2. Except as provided in Section 8(A)(3), the Oregon State Police shall conduct a Background Investigation on all proposed Class III Gaming Contractors for Major Procurements and shall provide a written report to the Tribal Gaming Commission within a reasonable period of time. The time for completion and notification of results of such Background Investigations shall not exceed sixty (60) calendar days after the Oregon State Police receives from the proposed Class III Gaming Contractor both the Oregon State Police’s fee for the Background Investigation under Section 8(J), and full disclosure of all information requested by the Tribal Gaming Commission and the Oregon State Police under this Section. This sixty (60) day period may be extended by written notice to and consent of the Tribe, which consent shall not be unreasonably withheld. If the Tribal Gaming Commission requests, the Oregon State Police agrees to make its best efforts to complete a Background Investigation within less than sixty (60) calendar days.

3. If the Tribal Gaming Commission and the OSP agree that business necessity or the protection of the fairness, integrity, security or honesty of the Tribal Gaming Activities require a quicker response than provided for above, OSP shall perform an abbreviated review within thirty (30) calendar days of a request by the Tribe to enable the Tribe to execute a temporary Class III Gaming Contract for a Major Procurement while a complete Background Investigation is being performed. OSP’s agreement shall not be unreasonably withheld. If the Class III Gaming Contractor is disqualified according to the criteria described in Section 7(E), the temporary Class III Gaming Contract shall be terminated, and the Tribe agrees to discontinue doing business with the Class III Gaming Contractor so long as the contractor fails to meet the criteria for Class III Gaming Contract approval.

B. Sensitive Procurements.

1. After a proposed Class III Gaming Contractor for a Sensitive Procurement has made full disclosure of all information requested by the Tribal Gaming Commission and the Oregon State Police under this Section, and paid any necessary Background Investigation fee required by the Oregon State Police, the Tribe may consummate a contract for a Sensitive Procurement before a Background Investigation has been completed by the Oregon State Police on the proposed Class III Gaming Contractor.

2. Before consummation of a Class III Gaming Contract for a Sensitive Procurement, the Tribal Gaming Commission shall submit a letter of intent to do business with the proposed Class III Gaming Contractor for a Sensitive Procurement, or a confirming memorandum from the Tribal Gaming Commission representing that an oral Class III Gaming Contract is proposed, to the Oregon State Police. Each letter of intent and confirming memorandum shall specifically identify the proposed Class III Gaming Contractor and shall contain a description of the nature of goods or services to be
obtained under the proposed Class III Gaming Contract. Whether entering into a written contract or obtaining any Major Procurement or Sensitive Procurement items from a supplier, the Tribe and the supplier must acknowledge the authority of the State to suspend or prohibit the shipment of Class III Gaming supplies or equipment pursuant to the provisions of Section 11(F).

3. If Oregon State Police considers it necessary, Oregon State Police shall conduct a Background Investigation on the proposed Class III Gaming Contractor for a Sensitive Procurement if the proposed Class III Gaming Contractor is not already an approved Class III Gaming Contractor in Oregon, and Oregon State Police shall provide a written report to the Tribal Gaming Commission if a Background Investigation is performed. The time for completion and notification of results of such Background Investigations shall not exceed sixty (60) calendar days after the Oregon State Police receives from the proposed Class III Gaming Contractor both the Oregon State Police's fee for the Background Investigation under Section (8)(J), and full disclosure of all information requested by the Tribal Gaming Commission and the Oregon State Police under this Section. This sixty (60) day period may be extended by written notice to and consent of the Tribe, which consent shall not be unreasonably withheld. If the Tribal Gaming Commission requests, the Oregon State Police agrees to make its best efforts to complete a Background Investigation within less than sixty (60) calendar days. If the Class III Gaming Contractor is disqualified according to the criteria described in Section 7(E), the Class III Gaming Contract shall be terminated, and the Tribe agrees to discontinue doing business with the Class III Gaming Contractor so long as the contractor fails to meet the criteria for Class III Gaming Contract approval.

4. If the Tribe reasonably believed at the time a Class III Gaming Contract was made that the procurement action was a Sensitive Procurement, and if thereafter the Tribe determines that the procurement is a Major Procurement, then the Tribe shall immediately notify OSP of the nature, scope and anticipated duration of the procurement action. If Oregon State Police did not initially conduct a Background Investigation on the Class III Gaming Contractor for the Sensitive Procurement, the Oregon State Police may proceed with a Background Investigation in accordance with Section 8(B)(3), and if the Class III Gaming Contractor is disqualified according to the criteria described in Section 8(E), OSP shall notify the Tribal Gaming Commission, the Class III Gaming Contract shall be terminated, and the Tribe agrees to discontinue doing business with the Class III Gaming Contractor so long as the Class III Gaming Contractor fails to meet the criteria for Class III Gaming Contract approval.

C. Approved Contractors. The Oregon State Police shall maintain a list of Class III Gaming Contractors that have been previously approved by the Oregon State Police, Tribal Gaming Section, or by the Oregon Lottery Commission (or their successors) to do business in Oregon with any gaming entity and shall provide a copy of the list to the Tribal Gaming Commission on a monthly basis. Notwithstanding any other provisions of this Compact, if a Class III Gaming Contractor has been included on the list, the Tribal Gaming Commission may
consummate a Class III Gaming Contract with a Class III Gaming Contractor for either a Major or Sensitive Procurement only after the Tribal Gaming Commission has submitted to OSP a letter of intent to do business with the proposed Class III Gaming Contractor or a confirming memorandum representing that an oral Class III Gaming Contract for a Sensitive Procurement is proposed. Each letter of intent and confirming memorandum shall specifically identify the proposed Class III Gaming Contractor and shall contain a description of the nature of goods or services to be obtained under the proposed Class III Gaming Contract. The Tribe shall include a provision in each Class III Gaming Contract that provides Contractor will be removed from the list of approved Class III Gaming Contractors if Contractor’s actions cause the Tribe to be out of compliance with this Compact.

D. The Tribe shall not consummate any Class III Gaming Contract with a Class III Gaming Contractor that does not grant both the Oregon State Police and the Tribal Gaming Commission access, upon request, to the business and financial records of the Class III Gaming Contractor and any Owner or Key Employee of the Class III Gaming Contractor.

E. Criteria for Contract Denial or Termination.

1. The Tribe shall not consummate any Class III Gaming Contract for a Major Procurement, and the Tribe shall terminate a Class III Gaming Contract for any Major Procurement or Sensitive Procurement immediately, if the following conditions are either disclosed in the application materials or reported by the Oregon State Police relative to a particular Class III Gaming Contractor:

   a. A conviction of the Class III Gaming Contractor or any Owner or Key Employee of the Class III Gaming Contractor for any felony other than a traffic offense, in any jurisdiction within the ten-year period preceding the date of the proposed Class III Gaming Contract;

   b. A conviction of the Class III Gaming Contractor or any Owner or Key Employee of the Class III Gaming Contractor for any gambling offense in any jurisdiction;

   c. A civil judgment against the Class III Gaming Contractor or any Owner or Key Employee of the Class III Gaming Contractor, based in whole or in part upon conduct that would constitute a gambling offense, or a civil judgment entered within the ten year period preceding the date of the proposed Class III Gaming Contract against the Class III Gaming Contractor or any Owner or Key Employee of the Class III Gaming Contractor, based in whole or in part upon conduct that would constitute a felony other than a traffic offense;

   d. A failure by the Class III Gaming Contractor to disclose any material fact to the Oregon State Police or the Tribal Gaming Commission or their authorized agents during initial or subsequent Background Investigations, unless the Oregon
State Police determines that the failure to disclose was not intentional;

e. A misstatement or untrue statement of material fact made by the Class III Gaming Contractor to the Oregon State Police or the Tribal Gaming Commission or their authorized agents during initial or subsequent Background Investigations as determined by the Tribal Gaming Commission or the Oregon State Police, unless the Oregon State Police determines that the misstatement or untrue statement of material fact was not intentional;

f. An association of the Class III Gaming Contractor with persons or businesses of known criminal background, or persons of disreputable character, that may adversely affect the general credibility, fairness, integrity, security, honesty or reputation of the Kah-Nee-Ta Facility;

g. Any aspect of the Class III Gaming Contractor’s past conduct that the Tribal Gaming Commission or the Oregon State Police reasonably determines would adversely affect the fairness, integrity, security, or honesty of the Kah-Nee-Ta Facility;

h. The Class III Gaming Contractor has engaged in a business transaction with a tribe that involved providing gaming devices for Class III Gaming conducted by a tribe without a tribal-state Class III Gaming compact in violation of IGRA; or

i. A prospective Class III Gaming Contractor fails to provide any information requested by the Tribal Gaming Commission or the Oregon State Police for the purpose of making any determination necessary under this Section 8.

2. The Tribal Gaming Commission may choose not to approve any Class III Gaming Contract for any reason the Commission deems sufficient.

3. No Class III Gaming Contractor shall own, manufacture, possess, operate, own an interest in, or gain income or reimbursement in any manner from gaming activities or gaming devices in any jurisdiction unless the activities or devices are approved and certified by another state lottery, gambling or gaming control agency, Indian tribe with an approved tribal-state compact pursuant to the Indian Gaming Regulatory Act, the National Indian Gaming Commission, or foreign country that has jurisdiction to approve that activity, and such ownership, manufacture, possession, operation, or income is disclosed to and approved by the Tribal Gaming Commission and the Oregon State Police.

4. If a prospective Class III Gaming Contract could not otherwise be consummated because of criteria under Section 8(E) applicable to a Key Employee of the Class III
Gaming Contractor, the Tribe may enter into a Class III Gaming Contract only if the Oregon State Police and the Tribal Gaming Commission agree that the relationship between the Class III Gaming Contractor and the convicted or liable person or employee has been severed. For purposes of this subsection 4, a relationship is severed if the convicted or liable person or employee has no continuing connection with the direction or control of any aspect of the business of the Class III Gaming Contractor, and the convicted or liable person or employee is no longer employed by the Class III Gaming Contractor in any capacity. The Class III Gaming Contractor shall bear the burden of showing to the satisfaction of the Tribal Gaming Commission and the Oregon State Police that a relationship has been severed.

F. Rescission or Termination of Class III Gaming Contracts.

1. The Tribal Gaming Commission may require the Tribal Gaming Operation to rescind or terminate any Class III Gaming Contract pursuant to policies and procedures determined by the Tribal Gaming Commission consistent with the Tribal Gaming Ordinance.

2. Class III Gaming Contracts shall be subject to rescission or termination for cause consistent with the criteria established by Section 8(E). Such contracts shall provide that Class III Gaming Contractors consent to rescission or termination of any Class III Gaming Contract for cause consistent with the criteria established by Section 8(E) by virtue of entering into a Class III Gaming Contract.

G. Contractor Reporting Requirements.

1. The Tribal Gaming Commission shall require all Class III Gaming Contractors to submit to the Tribal Gaming Commission and the Oregon State Police any financial and operating data requested by the Tribal Gaming Commission or the Oregon State Police.

2. The Tribal Gaming Commission shall specify the frequency and a uniform format for the submission of such data.

3. The Tribal Gaming Commission, the Oregon State Police, or their agents reserve the right to examine Class III Gaming Contractor tax reports and filings and all records from which such tax reports and filings are compiled.

4. All Class III Gaming Contractors shall notify both the Tribal Gaming Commission and the Oregon State Police of the transfer of a Controlling Interest in the ownership of the Class III Gaming Contractor.

H. Termination of Contract.

1. No Class III Gaming Contract shall have a term longer than seven (7) years, other
than contracts for traditional financing of capital.

2. A Class III Gaming Contract shall terminate immediately upon the occurrence of any of the following:

   a. The Class III Gaming Contractor is discovered to have made any statement, representation, warranty, or certification in connection with the Class III Gaming Contract that is materially false, deceptive, incorrect, or incomplete;

   b. The Class III Gaming Contractor, or any Owner or Key Employee of the Class III Gaming Contract is convicted of a felony or a gambling-related offense that reflects on the Class III Gaming Contractor’s ability to perform honestly in carrying out the Class III Gaming Contract unless OSP and the Tribal Gaming Commission agree that the relationship between the Class III Gaming Contractor and the convicted or liable person has been severed as provided in Section 8(E); or

   c. The Class III Gaming Contractor jeopardizes the fairness, integrity, security or honesty of the Kah-Nee-Ta Facility.

I. The Tribe shall include a provision in each Class III Gaming Contract providing that the Oregon State Police may at its sole election conduct an annual update Background Investigation of each Class III Gaming Contractor and that the Class III Gaming Contractor shall pay OSP for the costs associated with conducting that Background Investigation.

J. Fees for Background Investigations.

   1. OSP shall be reimbursed its reasonable and necessary costs for performing Background Investigations in accordance with the terms of Section 11.

   2. OSP shall assess the cost of Background Investigations for Class III Gaming Contract applications to the applicants. The applicant is required to pay the Background Investigation fee in full prior to commencement of the Investigation. If the applicant refuses to prepay the cost of a Background Investigation, the State shall notify the Tribal Gaming Commission, and the Tribal Gaming Commission may choose to pay the Background Investigation cost or withdraw its request for the Investigation.

K. Access to Contracts.

   1. If the Primary Management Official is a corporation or other form of organization, the Primary Management Official shall provide OSP at all times with a current copy of all Class III Gaming Contract between the Primary Management Official and the Tribe.
2. If the Primary Management Official is a corporation or other form of organization, the Primary Management Official shall furnish to the State complete information pertaining to any transfer of Controlling Interest in the management company at least thirty (30) calendar days before such change; or, if the Primary Management Official is not a party to the transaction effecting such change of ownership or interests, immediately upon acquiring knowledge of such change or any contemplated change.

3. In order to assure the fairness, integrity, security and honesty of the Tribal Gaming Activities, the Tribal Gaming Commission agrees to make available for inspection to the Oregon State Police, upon request, a list of all non-gaming contractors, suppliers and vendors doing business with the Kah-Nee-Ta Facility. The Tribal Gaming Commission also agrees to give the Oregon State Police access to copies of all non-Class III Gaming contracts upon OSP’s written request. Oregon State Police shall include in its written request an explanation of the grounds for the request, including any concerns about a particular non-Class III Gaming contractor and an explanation of how, in OSP’s judgment, its review of the non-Class III Gaming contracts would further the fairness, integrity, security or honesty of the Tribal Gaming Operation. Notwithstanding the foregoing, OSP is not required to include any explanation in its written request for access to copies of non-Class III Gaming contracts if OSP is prohibited by law from such disclosure or OSP determines that an explanation would be detrimental to the fairness, integrity, security or honesty of the Tribal Gaming Operation.

SECTION 9. REGULATIONS FOR OPERATION AND MANAGEMENT OF CLASS III GAMES.

A. Compliance with Regulations. Conduct of all Class III Gaming authorized under this Compact shall be in accordance with the requirements of applicable federal, state and tribal laws, including but not limited to National Indian Gaming Commission regulations, Compact provisions (including the Minimum Internal Controls), the Tribal Gaming Ordinance, and Tribal Internal Controls, policies and procedures that are applicable to the Tribal Gaming Operation and Class III Gaming. The Tribe and the State agree that the Minimum Internal Controls may be modified or supplemented in writing by mutual agreement of the Tribal Gaming Commission and the OSP. The Tribe and the State understand that such modifications or supplements do not require formal amendment of this Compact.

B. Identification Badges. The Tribe shall require all employees to wear, in plain view, identification badges issued by the Tribal Gaming Commission that include photo and name. This requirement shall not apply to those security or compliance personnel identified in a memorandum of understanding between the Tribe and the State.

C. No Credit Extended. All Class III Gaming shall be conducted on a cash basis. Except as provided herein, no person shall be extended credit for gaming nor shall the Tribe permit any person
or organization to offer such credit for a fee. This restriction shall not apply to credits won by players who activate play on video games of chance after inserting coins or currency into the games. Cashing checks for purposes of Class III Gaming constitutes extending credit under this subsection except in the following circumstances:

1. When a check is used to facilitate electronic transfer of funds;

2. When availability of funds is verified; or

3. When the check has been issued by a Warm Springs tribal entity employer.

This Section 9(C) shall not restrict the right of the Tribe or any other person to offer check cashing or install and accept bank card or credit card transactions in the same manner as is permitted at any retail business in the State.

D. **Prohibition on Attendance and Play of Minors.** The Tribe shall not allow anyone under the age of 21 to play any Class III Gaming conducted under this Compact. If any person under the age of 21 plays and otherwise qualifies to win any video lottery prize or compensation, the Tribal Gaming Operation shall not pay the prize or compensation. The Tribe shall not allow any person under the age of 18 to play keno or place or collect pari-mutuel bets.

E. **Prohibition of Firearms.** With the exception of federal, state, local and tribal law enforcement agents or officers on official business, the Tribe will prohibit any person from possessing firearms within the Kah-Nee-Ta Facility.

F. **Alcohol Policy.** No alcohol shall be served in the Kah-Nee-Ta Facility unless authorized by the Tribe as permitted by federal law. Currently, the Tribe does not legally permit the sale or possession of distilled spirits within the Warm Springs Indian Reservation, except at Kah-Nee-Ta Lodge. If tribal law is changed to permit alcohol sales at other locations, the Tribe shall notify the State. The Tribe and the State have entered a memorandum of understanding that establishes which state laws and Oregon Liquor Control Commission regulations shall be applied to the sale or service of alcoholic beverages at such location. The Tribe agrees to comply with this memorandum of understanding and maintain it in full force and effect throughout the effective period of this Compact. Where required by federal law, service of alcohol shall be in compliance with State laws and Oregon Liquor Control Commission licensing regulations. Nothing in this subsection shall permit the State to impose taxes on the sale of alcoholic beverages by the Tribe. If alcohol is served in the Kah-Nee-Ta Facility, no alcoholic beverages may be served free or at a reduced price to any patron of the Kah-Nee-Ta Facility as an inducement to participate in any Class III Gaming.

G. **Insurance.** During the term of this Compact, the Tribe shall obtain and maintain commercial general liability insurance consistent with industry standards for non-tribal casinos in the United States, underwritten by an insurer or insurers with a rating of “A” or above by A. M. Best, with limits of no less than $250,000 for one person and $2,000,000 for any one occurrence of any bodily injury, personal injury, or property damage. The Tribe’s insurance policy shall have an
endorsement providing that the insurer may not invoke Tribal sovereign immunity up to the limits of the policy in state, federal or tribal court, including when the Tribe or an entity of the Tribe is the named defendant. The policy shall provide that the State, OSP, their divisions, officers and employees are additional insureds, but only with respect to the Tribe’s activities under this Compact, provided that the Tribe shall not be liable for any claim or cause of action for injury or damages caused by the errors or omissions of the State, OSP, or their divisions, officers and employees.

H. INDEMNIFICATION. THE TRIBE SHALL INDEMNIFY AND HOLD HARMLESS THE STATE, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY CLAIMS, DAMAGES, LOSSES OR EXPENSES ARISING OUT OF OR RELATING TO THE ACTIVITIES OF THE TRIBE UNDER THIS COMPACT, WITHIN THE COVERAGE OF THE INSURANCE DESCRIBED IN SECTION 9(G), UP TO THE POLICY LIMITS OF SUCH INSURANCE WHETHER OR NOT TRIBE HAS COMPLIED WITH THE REQUIREMENTS OF SECTION 9(G), EXCEPT AS MAY BE THE RESULT OF THE NEGLIGENCE OF THE STATE, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, OR ANY OF THEM.

SECTION 10. INSPECTION AND ENFORCEMENT OF GAMING REGULATIONS.

A. Tribal Gaming Commission.

1. The Tribe agrees to maintain a Tribal Gaming Commission that has the exclusive authority to regulate gaming activities on Tribal lands, that has sufficient numbers of adequately trained personnel to monitor and regulate the conduct of Class III Gaming, and that has the resources to perform its duties under Tribal law and this Compact. The Commission or individuals designated to perform Commission duties shall not participate in any way in the management of the Kah-Nee-Ta Facility. Commission members may be removed only for cause by the Tribal Council. Commission members must satisfy the background requirements that are applicable to High Security Employees and Primary Management Officials outlined in Section 7(A) of this Compact.

2. The Tribal Gaming Commission shall have primary responsibility for the on-site regulation, control and security of the Tribal Gaming Operation authorized by this Compact, and for the enforcement of this Compact. The Tribal Gaming Commission’s role shall include the promulgation and enforcement of rules and regulations that:

   a. Ensure compliance with all applicable federal, state and tribal laws, including but not limited to National Indian Gaming Commission regulations, Compact provisions (including the Minimum Internal Controls), the Tribal Gaming Ordinance, and Tribal Internal Controls, policies and procedures that are applicable to the Tribal Gaming Operation and Class III Gaming;

   b. Ensure the physical safety of patrons in, and of personnel employed by,
the establishment;

c. Safeguard the assets transported to and from, and within, the Kah-Nee-Ta Facility;

d. Protect Kah-Nee-Ta Facility patrons and property from illegal activity;

e. Provide that, whenever a Gaming Crime is observed or suspected, best efforts will be made to gather as much identifying information regarding the suspect as possible, such as drivers' license number, photograph, description of the suspect's vehicle and vehicle license information and to then immediately notify OSP and other appropriate law enforcement agencies;

f. Require, regardless of any other logs or records that may be maintained, the Tribal Gaming Commission to record any and all Violations within the Kah-Nee-Ta Facility on computer printouts or in indelible ink in a bound notebook from which pages cannot be removed, and each side of each page of which is sequentially numbered, as follows:

(i) The assigned sequential number of the incident;

(ii) The date;

(iii) The time;

(iv) The nature of the incident;

(v) The person involved in the incident;

(vi) The employee assigned to conduct the investigation, if any; and

(vii) The outcome and action taken, if any.

g. Require maintenance of logs relating to surveillance, security, cashier's cage, credit, VLTs (showing when machines are opened), and VLT location;

h. Establish and maintain an updated list of persons barred or excluded for any length of time over forty-eight (48) hours from the Kah-Nee-Ta Facility for any reason (other than the person's status as a former employee) including but not limited to the person's criminal history or the person's association with career offenders or career offender organizations poses a threat to the fairness, integrity, security or honesty of gaming operations, and furnish that list to OSP;

i. Require an annual audit of the Tribal Gaming Operation by a Certified
Public Accountant;

j. Ensure that a closed circuit television system is maintained in the cash room of the Kah-Nee-Ta Facility and that copies of the floor plan and TV system are available for inspection by OSP;

k. Ensure that a cashier's cage is maintained in accordance with industry standards for security;

l. Ensure that pari-mutuel clerks are sufficiently trained;

m. Ensure that sufficient security personnel are employed and trained;

n. Subject to agreement with the State, establish a method for resolving disputes with players;

o. Ensure that surveillance equipment and personnel are managed and controlled independently of management of the Tribal Gaming Operation; and

p. Ensure that all contractors supplying VLTs to the Kah-Nee-Ta Facility obtain proper shipping authorization from the Oregon State Police prior to the VLTs being transported.

3. **Tribal Gaming Inspections.**

a. The Tribal Gaming Commission or its agents shall be on duty within the Kah-Nee-Ta Facility or on-call during all hours of operation. The Commission and its agents shall have immediate access to any and all areas of the Kah-Nee-Ta Facility for the purpose of ensuring compliance with applicable federal, state and tribal laws, including but not limited to National Indian Gaming Commission regulations, Compact provisions (including the Minimum Internal Controls), the Tribal Gaming Ordinance, and Tribal Internal Controls, policies and procedures that are applicable to the Tribal Gaming Operation and Class III Gaming. Personnel designated as surveillance operators shall not fulfill this function on behalf of the Tribal Gaming Commission. Any Violation 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 the Tribal Gaming Commission shall report such Violations to the Oregon State Police within seventy-two (72) hours of the time the Violation was noted.

b. The Tribal Gaming Commission may designate any individual or individuals, including Tribal Gaming Commissioners, to perform the inspection duties outlined in this Section10(A)(3), so long as those individuals perform those
duties independently of the management of the Tribal Gaming Operation, and are
supervised and evaluated by the Commission as to the performance of those
duties.

c. Inspections by the Tribal Gaming Commission shall include monitoring
compliance with all applicable federal, state and tribal laws, including but not
limited to National Indian Gaming Commission regulations, Compact provisions
(including the Minimum Internal Controls), the Tribal Gaming Ordinance, Tribal
Internal Controls, and policies and procedures that are applicable to the Tribal
Gaming Operation and Class III Gaming. These inspection duties of the Tribal
Gaming Commission include but are not limited to:

(i) Observation of the following (at least monthly or more frequently
    as determined by the Tribal Gaming Commission):

(1) Sensitive gaming inventories;
(2) VLT or table game drop;
(3) Soft count;
(4) Security and surveillance logs;
(5) Movement of cash within, into and out of the Kah-Nee-Ta
Facility;
(6) Surveillance procedures;
(7) Security procedures;
(8) Games controls; and
(9) Integrity of VLT microprocessor or E-PROM, CD ROM,
    hard disk or other electronic decision-making technologies.

(ii) Appropriate investigation of any potential Violations.

(iii) Investigation of any cash variance of five hundred dollars ($500)
or greater in a specific variance report or that the Tribal Gaming
Commission determines is a threat to the fairness, integrity, security or
honesty of the Tribal Gaming Operation followed by a report of the
findings to the Tribal Gaming Commission and the Oregon State Police.

(iv) At the customer’s request, review and investigation of all customer
gaming disputes not resolved by the Tribal Gaming Operation, and review and investigation of all customer gaming disputes five hundred dollars ($500) or greater.

(v) Reporting to the Oregon State Police any criminal or regulatory issues that may affect the fairness, integrity, security or honesty of the Tribal Gaming Activities.

4. **Investigations and Sanctions.** The Tribal Gaming Commission shall conduct an appropriate investigation of any reported Violation and shall require the Tribal Gaming Operation to correct the Violation upon such terms and conditions as the Tribal Gaming Commission determines to be necessary. The Tribal Gaming Commission shall be empowered by the Tribal Gaming Ordinance to impose fines and other sanctions within the jurisdiction of the Tribe against the Tribal Gaming Operation, a gaming employee, or any other person directly or indirectly involved in, or benefiting from, the Tribal Gaming Operation.

5. **Reporting to OSP.** The Tribal Gaming Commission shall forward copies of all completed investigation reports as described in Section 10(A)(3) and final dispositions to the State on a continuing basis. If requested by the Tribal Gaming Commission, the State shall assist in any investigation initiated by the Tribal Gaming Commission, and provide other requested services to assist in enforcement of the provisions of this Compact, tribal ordinances, regulations or applicable laws of the State. In cases where an investigation lasts longer than forty-five (45) calendar days, the Tribal Gaming Commission shall notify the OSP at the expiration of the forty-five (45) calendar days and every thirty (30) calendar days thereafter in writing as to the status of the investigation, why the matter is taking longer than forty-five (45) calendar days, and the anticipated completion date of the investigation.

**B. State Enforcement of Compact Provisions.**

1. **Monitoring.** OSP is authorized to monitor the Class III Tribal Gaming Activities in the manner the State reasonably considers necessary to verify that the Tribal Gaming Operation is conducted in compliance with the provisions of this Compact and to verify that the Tribal Gaming Commission is fulfilling the Tribe’s obligations under this Compact. OSP shall have free and unrestricted access to all areas of the Kah-Nee-Ta Facility during normal operating hours without giving prior notice to the Tribal Gaming Commission except for those areas that are mutually agreed to in writing by OSP and the Tribal Gaming Commission as being excluded. At the Tribe’s option, it may designate a Tribal Gaming Agent or other Tribal law enforcement official to accompany the OSP official monitoring the Tribal Gaming Operation. Such designation by the Tribe shall not delay, inhibit, or deprive OSP of such access. The Tribe agrees that the OSP monitoring function includes, at a minimum, the activities identified in this Compact and any amendments and memoranda of understanding entered into pursuant to this Compact, and
that the actual, reasonable and necessary cost of monitoring activities shall be assessed to the Tribe as provided in Section 11 of this Compact. In addition to OSP's regular monitoring functions, the Tribe agrees that OSP may conduct the following activities, the cost of which shall also be assessed to the Tribe as provided in Section 11.

a. An annual comprehensive Compact compliance review, which shall be planned and conducted jointly with the Tribal Gaming Commission, of the Tribal Gaming Operation to verify compliance with all applicable federal, state and tribal laws, including but not limited to National Indian Gaming Commission regulations, Compact provisions (including Minimum Internal Controls), the Tribal Gaming Ordinance, and Tribal Internal Controls, policies and procedures that are applicable to the Tribal Gaming Operation and Class III Gaming. This review shall include, at a minimum, a review in the following areas: administrative controls (Tribal Internal Controls), gaming operations controls, drop boxes, station inventories, surveillance department controls, cashier cage controls, count room controls (security and surveillance), accounting department controls (security), general controls (Compact regulatory requirements), blackjack controls, VLT controls, Class III accounts payable, employee identification, gaming chip inventory for gaming floor and cage, physical examination of all class III gaming cards, chips, e-proms, paper stock, printers, keno balls, fill slips, video gaming devices, keno controls, off-track betting and security department controls;

b. Periodic review of any part of the Tribal Gaming Operation in order to verify compliance with all applicable federal, state and tribal laws, including but not limited to National Indian Gaming Commission regulations, Compact provisions (including Minimum Internal Controls), the Tribal Gaming Ordinance, and Tribal Internal Controls, policies and procedures that are applicable to the Tribal Gaming Operation and Class III Gaming;

c. Investigation of possible Violations and other gaming regulatory matters, whether discovered during the action, review, or inspection by OSP during its monitoring activities, or otherwise;

d. As provided in Section 5 of this Compact, the Tribe's law enforcement agency is responsible for investigation of criminal law violations. The Tribe and the State agree that the Tribe's criminal law jurisdiction shall not prevent the State from investigating possible violations of this Compact or other gaming regulatory matters. The Tribe and the State agree that their respective law enforcement agencies shall cooperate in any investigation that involves or potentially involves both criminal and regulatory violations such as investigation of Gaming Crimes;

e. Periodic review of any contracts between the Tribe and suppliers, vendors or contractors that provide non-gaming goods or services to the Kah-Nee-Ta
2. The parties agree that if any Class III Gaming activities are conducted or intermingled within the Kah-Nee-Ta Facility in such a way that they are inseparable from Class II Gaming activities, such as surveillance of both Class II and Class III Gaming operations by a single surveillance department or use of the same equipment in both operations, and the intermingling prevents the State from fulfilling its responsibilities under this Compact without reviewing or overseeing the Class II Gaming activities, the Oregon State Police shall have full access to both for purposes of carrying out the duties of the Oregon State Police with respect to Class III Gaming under this Compact.

3. OSP shall ensure that all personnel assigned to carry out the terms of the Compact shall be provided with adequate training for this purpose. The Tribe may request removal of a state law enforcement officer or auditor on the basis of conduct disrespectful of the Tribe or its culture. Effective performance of the officers’ or monitor’s duties shall not be the basis for disapproval. If the Tribe makes such a request, it shall meet with OSP to discuss the reason for the request, and OSP shall consider the request.

4. Access to Records. The State is authorized to review and copy, during normal business hours, and upon reasonable notice, any and all Tribal records pertaining to the operation, management, or regulation of Class III Gaming by the Tribe, including all Class III Gaming-related contracts, whether those records are prepared or maintained by the Tribe, the Tribal Gaming Commission or the Tribal Gaming Operation. The Tribe agrees to require applicants for a Tribal Gaming License to consent to disclosure to the State of Tribal records relevant to the determination of eligibility for licensing. The Tribe and the State agree that the Tribe shall include information obtained solely from tribal records in a separate section of the application that is submitted to the OSP, clearly identified as coming from tribal records by the heading: “CONFIDENTIAL TRIBAL INFORMATION-DO NOT COPY”. After review of such information, the OSP shall not retain and shall promptly return that section of the application to the Tribal Gaming Commission, as agreed up by the Tribal Gaming Commission and the OSP. Information contained in other sections of the application may be retained by the OSP, even if containing information from tribal records. The OSP shall return to the Tribe copies of tribal documents related to background investigations within sixty (60) calendar days of obtaining the copies. The OSP shall be entitled to retain copies of the following: the Tribal Gaming Commission investigative report, a photograph of the applicant, and information release forms.

a. The Tribe acknowledges that any records created by or maintained by the State, including any records created or maintained in connection with the performance of the State’s duties and functions under this Compact, belong to the State and are fully subject to the State Public Records Law, ORS 192.410 to 192.505. Any information concerning the Tribal Gaming Operation that is contained in state records may be subject to disclosure under ORS 192.410 to
192.505, unless the State would be permitted to withhold that information from disclosure under ORS 192.410 to 192.505. Examples of the kind of information that may be withheld from disclosure by the State under appropriate circumstances include:

(i) “Trade secrets” as defined in ORS 192.501(2);

(ii) Investigatory information compiled for criminal law purposes as described in ORS 192.501(3);

(iii) Information submitted in confidence, as provided in ORS 192.502(4), which could include, for example, information contained in state records which would reveal information about the operation of any Class III game or which would reveal information about the workings of the Tribal Gaming Operation that could reasonably assist a person in the conduct of activity that could adversely affect the fairness, integrity, security or honesty of the Class III Gaming activities; or

(iv) Any information the disclosure of which is specifically prohibited by state or federal law.

b. Applications submitted to and retained by the Oregon State Police for Tribal Gaming Licenses are State records and may be subject to disclosure under ORS 192.410 to 192.505 unless the State would be permitted to withhold that information from disclosure under ORS 192.410 to 192.505.

c. Information about the Tribe’s Class III Gaming activities, whether obtained from the Tribe or from any other source, that is included in a document prepared, owned, used or retained by the State in connection with its duties and functions under this Compact may be subject to disclosure under ORS 192.410 to 192.505 unless the State would be permitted to withhold that information from disclosure under ORS 192.410 to 192.505 or as otherwise provided by this Compact.

d. The Tribe has agreed to allow the Oregon State Police access to sensitive financial, security and surveillance information that the Tribe considers confidential. The State acknowledges that the Tribe has voluntarily given the State access to this information and that the Tribe would not otherwise be required by law to do so. The State acknowledges that this information should reasonably be considered confidential. To the extent such information is included in any State records that are subject to disclosure, the State hereby obliges itself not to disclose this information when the public interest, including the public interest in maintaining the fairness, integrity, security and honesty of the Tribe’s Class III Gaming activities, would suffer by such disclosure.
e. The State agrees to notify the Tribe promptly of any request for disclosure of documents containing information about the Tribe’s Class III Gaming activities. If the State decides to release any documents that contain information about the Tribe’s Class III Gaming activities, the State will notify the Tribe at least five (5) Business Days before any disclosure is made.

f. Any dispute as to the disclosure of documents under this Section 10(B)(4) shall be brought in the Oregon state courts.

g. Nothing in this Section 10(B)(4) precludes the State or the Tribe from disclosing information pursuant to state, tribal or federal rules of civil procedure or evidence in connection with litigation, a prosecution or criminal investigation, subject to any defenses either party may assert. The parties agree to assert available defenses to disclosure unless in that party’s determination, to do so would jeopardize the party’s position in litigation.

5. Investigative Reports. After completion of any investigative report, the State shall provide a copy of the report to the Tribal Gaming Commission. In cases where an investigation lasts longer than forty-five (45) calendar days, the Tribal Gaming Section shall notify the Tribal Gaming Commission at the expiration of the forty-five (45) calendar days and every thirty (30) calendar days thereafter in writing as to the status of the investigation, why the matter is taking longer than forty-five (45) calendar days, and the anticipated completion date of the investigation.

SECTION 11. ASSESSMENT FOR STATE MONITORING, OVERSIGHT AND LAW ENFORCEMENT COSTS

A. The Tribe agrees that the federally-recognized tribes in Oregon that conduct Class III Gaming (“Gaming Tribes”) have the collective responsibility to pay for the costs of performance by OSP of its activities authorized under this Compact, including associated overhead (“OSP’s Costs”). The Tribe agrees to pay its fair share of OSP’s Costs pursuant to the memorandum of understanding entered between the Tribe and OSP in accordance with subsection D of this Section.

B. During the development of its biennial budget, OSP shall distribute a draft of the “Tribal Gaming” portion of the budget to the Gaming Tribes for their review and comment prior to submitting the budget to the Governor and to the Legislature. OSP shall give full consideration to Gaming Tribes’ comments on the budget. Notwithstanding the right of the Gaming Tribes to comment on the budget, each Gaming Tribe retains the right to participate in any public review of the budget by either the Governor or the Legislature, as well as review before the Emergency Board for any increase in the budget.

C. Because of the government-to-government relationship between the Tribe and the State,
the parties recognize that the Tribe’s obligation to pay its fair share of OSP’s Costs as provided by this Compact is unique. Nothing in this Compact is intended to, nor shall be construed as, creating a responsibility for the Tribe to pay for any other governmental services rendered by or received from the State.

D. The Tribe and OSP shall execute a memorandum of understanding that includes the methodology for determining the amount of the Tribe’s fair share of OSP Costs and the process for, including timing of, the Tribe’s payments of its fair share of OSP Costs. This memorandum of understanding will be a separate agreement between the Tribe and OSP, the amendment of which does not require an amendment to this Compact.

E. If the Tribe disputes the amount of the assessment under this Section 10, the Tribe shall timely pay the undisputed amount and within thirty (30) calendar days of billing, shall notify OSP in writing of the specific nature of the dispute. If the parties have not resolved the dispute within fifteen (15) calendar days, the Tribe shall pay the disputed amount into an off-reservation escrow, mutually agreeable to the parties, with escrow instructions providing that the funds are to be released only upon authorization by both the Tribe and the Oregon State Police. The parties shall share the reasonable costs of the escrow. The State’s share of the reasonable costs of the escrow must be paid from a source of funds other than the funds of the OSP Tribal Gaming Section. The dispute shall then be resolved pursuant to the procedures set forth in Section 5(B)(3) and (4) of this Compact. {PRIVATE}

F. If the Tribe fails to pay timely the disputed amount into escrow or pay timely the undisputed amount, the Oregon State Police may suspend any background checks that are in process or withhold authorization for the shipment of equipment, or pursue other remedies for Compact violations available under this compact or IGRA or any combination of the foregoing.

SECTION 12. APPLICATION OF REGULATORY STANDARDS.

A. **Health and Safety Standards.** Tribal ordinances and regulations governing health and safety standards applicable to the Kah-Nee-Ta Facility shall be at least as rigorous as standards imposed by the laws and regulations of the State. The Tribe agrees to cooperate with any State agency generally responsible for enforcement of such health and safety standards outside the reservation in order to assure compliance with such standards within the Kah-Nee-Ta Facility. However, the Tribe shall have the exclusive regulatory jurisdiction over the enforcement of health and safety standards applicable to the Kah-Nee-Ta Facility. The Tribe shall use its regulatory jurisdiction to assure that health and safety standards are met.
B. **Traffic Standards.** The Tribe shall provide and maintain access to and from the Kah-Nee-Ta site on BIA roads to the public road known as U.S. Highway 26 that is adequate to meet standards of the Oregon Department of Transportation or shall enter into agreements with the Oregon Department of Transportation for the provision and maintenance of such access by the State, including provisions for compensation by the Tribe for some portion of the costs incurred by the State in constructing such improvements to the public highway, including traffic control signals, as may be necessary. If the Oregon Department of Transportation determines that highway improvements are necessary, the department shall confer with the Tribe concerning the planning, design and construction of those improvements. If the Tribe disputes the amount of the cost to be paid by the Tribe, the Tribe may initiate the dispute resolution procedure established under Section 6 of this Compact.

C. The Tribe shall report to the Oregon Department of Revenue gambling winnings paid to any person subject to Oregon Personal Income Tax on those winnings whenever the Tribe would be required to report those winnings to the Internal Revenue Service. The information shall be reported in the manner required by the Oregon Department of Revenue.

SECTION 13. EFFECTIVE DATE; TERMINATION; AMENDMENTS.

A. **Effective Date.** This Compact shall become effective nine (9) months following approval of this Compact by the Secretary of the Interior. Except as provided in Section 7(A)(5)(h), this Compact supersedes the Original Compact in its entirety upon the Compact effective date.

B. **Termination.** This Compact shall remain in effect until such time as:

1. This Compact is terminated by written agreement of both parties;

2. The State amends its Constitution or laws to criminally prohibit within the State conduct of all of the Class III Gaming authorized by this Compact, whether for profit or not for profit;

3. A court of competent authority makes a final determination that all of the Class III Gaming authorized by this Compact is criminally prohibited under the law of the State, and the determination has become final and enforceable;

4. The federal government amends or repeals IGRA so that a Compact is no longer required for the Tribe’s exercise of Class III gaming;

5. Either party materially breaches this Compact; but only after the dispute resolution process set forth in Section 17 of this Compact has been exhausted, and the breach has continued for a period of sixty (60) calendar days after written notice following the conclusion of the dispute resolution process;
6. The Cascade Locks Compact becomes effective and the Tribe commences conducting Class III Gaming under the Cascade Locks Compact.

7. One year following the date of termination of the Cascade Locks Compact under Article XVIII, Section B(7), of the Cascade Locks Compact.

C. **Cascade Locks Compact.** If the Cascade Locks Compact is declared void for any reason by a court of competent jurisdiction after Class III Gaming on the gaming facility regulated under the Cascade Locks Land has commenced, and the Tribe thereafter terminates Class III Gaming at that gaming facility but the Class III Gaming that is the subject of this Compact remains lawful for the Tribe under IGRA, the parties agree that this Compact shall be reinstated as the Class III Gaming compact between the Tribe and the State. The Tribe agrees to provide thirty (30) calendar days prior written notice to the State of its intent to commence Class III Gaming under this Compact. Such reinstatement shall take effect upon the date of closure of the Cascade Locks gaming facility, upon the date Cascade Locks Compact is declared void, or thirty (30) calendar days following the written notice to the State, whichever occurs last. During the 30-day waiting period, the Tribe and State will work together to ensure that Class III Gaming to occur pursuant to the reinstated Compact is in compliance with the terms and conditions of this Compact and is conducted in a manner that safeguards the fairness, integrity, security and honesty of the Class III Games. This Section C shall survive if this Compact is terminated under Section 13(B)(6). If this Compact is reinstated under this Section C, then notwithstanding any other provisions in this Compact, it shall terminate one (1) year following the date this Compact is reinstated.

D. **Automatic Amendment.**

1. If a type of Class III Gaming authorized under Section 4 of this Compact is criminally prohibited by an amendment to State statute or Constitution, this Compact shall no longer authorize the Tribe to engage in that type of Class III game, and any provisions in this Compact authorizing such gaming shall be void and of no effect.

2. If a court decides that a type of Class III Gaming authorized under this Compact is criminally prohibited, this Compact shall no longer authorize the Tribe to engage in that type of Class III game, and any provisions in this Compact authorizing such gaming shall be void and of no effect, but the Tribe shall be required to cease operating that Class III game only if and under the same circumstances and conditions as the State or any other affected person must cease operating the corresponding game under the court's decision.

E. **Amendments.**

1. This Compact may be amended by the parties. All amendments must be in writing. No amendment to this Compact is effective until the amendment has been signed by all parties and approved by the Secretary of the Interior.
2. Either party may request negotiations to amend this Compact. A request to negotiate must be in writing and must be sent by certified mail as provided Section 15. Both parties agree to negotiate in good faith. If either party fails to negotiate in good faith, then the other party may initiate the dispute resolution provisions under Section 17. If a court of competent jurisdiction or arbitrator determines that a party is failing to negotiate in good faith, and such failure continues for thirty (30) calendar days after the date of such determination, then such breach of this Compact may serve as grounds for termination of this Compact pursuant to Section 13(B)(5).

SECTION 14. DISCLAIMERS AND WAIVERS.

A. **Gaming at Another Location or Facility.** Except as provided in this Compact, the Tribe hereby waives any right it may have under IGRA to negotiate a compact for Class III Gaming at any additional location or facility.

B. **Status of Class II Gaming.** Nothing in this Compact shall be deemed to affect the operation by the Tribe of any Class II Gaming or to confer upon the State any jurisdiction over such Class II Gaming conducted by the Tribe.

C. **Prohibition on Taxation by the State.** Nothing in this Compact shall be deemed to authorize the State to impose any tax, fee, charge or assessment upon the Tribe or any tribal gaming operation except for charges expressly authorized in accordance with this Compact.

D. **Preservation of Tribal Self-Government.** Except as provided in Section 7(A)(4)(a)(iv) and Section 10(A)(1), nothing in this Compact shall be deemed to authorize the State to regulate in any manner the government of the Tribe, including the Tribal Gaming Commission, or to interfere in any manner with the Tribe’s selection of its governmental officers, including members of the Tribal Gaming Commission. No licensing or registration requirement contemplated by this Compact shall be applicable to such officers with respect to their capacity as officers of the Tribe.

E. This Compact is exclusively for the benefit of and governs only the respective authorities of and the relations between the Tribe and the State. Nothing in this Compact shall be construed as creating or granting rights to any third party, or as establishing any objection or defense for any third party to any charge, offense or prosecution.

SECTION 15. NOTICE.

A. **Notice and Receipt of Notice.** Except as otherwise expressly provided in this Compact or agreed in writing by the parties, any communications between the parties or notices to be given under this Compact shall be given in writing and delivered by facsimile, personal delivery, or mailing the same, postage prepaid, to Tribe or State at the address, number set forth in this Article, or to such other addresses or numbers as either party may indicate pursuant this Section 15. Any communication or notice so addressed and mailed shall be deemed received three (3)
Business Days after the date of mailing. Any communication or notice delivered by facsimile shall be deemed received on the date the transmitting machine generates a notice of the successful transmission, if transmission was during normal business hours, or on the next Business Day, if transmission was outside the Business Day. Any communication or notice delivered by personal delivery shall be deemed received when actually delivered. The parties may agree in writing to a process for sending and determining receipt of notices by electronic mail or by any other means.

B. **Notice Addresses and Numbers.**

1. All notices required or authorized to be delivered to the Oregon State Police under this Compact shall be in writing and delivered to the following:

   Captain  
   Oregon State Police  
   Gaming Enforcement Division  
   400 Public Service Building  
   Salem, Oregon 97301

   FAX: 503-378-8282

2. All notices required or authorized to be delivered to the Tribal Gaming Commission under this Compact shall be delivered to the individual, address and fax number provided to the State in writing by the Tribe.

3. All other notices required or authorized to be delivered under this Compact, and all notices to the Tribal Gaming Commission for which the State does not have the information required under Section 2 of this Article, shall be delivered to the following:

   Legal Counsel to the Governor  
   Office of the Governor  
   254 State Capitol  
   Salem, OR  97301

   FAX: 503-378-4863  
   Secretary/Treasurer of the  
   Tribal Council  
   Confederated Tribes of the  
   Warm Springs Reservation  
   of Oregon  
   P. O. Box C  
   Warm Springs, OR  97761

   FAX: 541-553-2236

**SECTION 16. SEVERABILITY.**

In the event that any section or provision of this Compact is held invalid, or its application to any particular activity is 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.

SECTION 17. DISPUTE RESOLUTION.

A. Except as specifically provided in Section 6 of this Compact, at the discretion of either party, in the event either party believes that the other party has failed to comply with any requirement of the Compact, that party may invoke the following dispute resolution procedure in order to foster cooperation and avoid the costs of litigation:

1. The party asserting noncompliance shall serve written notice on the other party in the manner provided in Section 15. The notice shall identify the specific provision of the Compact alleged to have been violated and shall specify the factual basis for the alleged noncompliance. The State and the Tribe shall thereafter meet within thirty (30) calendar days in an effort to resolve the dispute.

2. Court Actions.

   a. Either party may initiate an action against the other party in the United States District Court for the District of Oregon to interpret or enforce the provisions of this Compact. The State and the Tribe agree that IGRA grants subject matter jurisdiction to the United States District Court to hear compact enforcement actions and that IGRA contains a Congressional waiver of tribal sovereign immunity.

   b. However, in the event that the federal court declines jurisdiction, an action can be filed in a State court of competent jurisdiction to interpret or enforce the provisions of this Compact.

   c. Sovereign Immunity.

      (i) State Waiver of Sovereign Immunity. The Oregon legislature has waived the State's sovereign immunity to suit in state court pursuant to ORS 30.320.

      (ii) Tribal Waiver of Sovereign Immunity. THIS WAIVER OF THE SOVEREIGN IMMUNITY OF THE TRIBES FROM SUIT OR ACTION IS ADOPTED PURSUANT TO THE TERMS OF WARM SPRINGS TRIBAL CODE CHAPTER 30 AND SHALL BE STRICTLY CONSTRUED AND LIMITED TO ITS SPECIFIC TERMS AND THE SPECIFIC WAIVER GRANTED. The Tribe hereby waives its immunity to suit in state court for the limited purpose of enforcing this Compact according to the terms of this Section 17.
B. Nothing in Section 17(A) shall be construed to waive, limit or restrict any remedy that is otherwise available to either party to enforce the provisions of this Compact or limit or restrict the ability of the parties to pursue, by mutual agreement, alternative methods of dispute resolution.

C. With respect to gaming not authorized by this Compact, nothing in this Compact shall be construed to limit the authority of the State or the federal government to take immediate action or enforce and prosecute the gambling laws of the State and the United States pursuant to 18 USC § 1166 (Section 23 of IGRA).

SECTION 18. INTEGRATION.

This Compact, all memoranda of understanding between the parties that are required or referenced under this Compact and in effect on the effective date of this Compact, and the Cascade Locks Compact constitute the entire agreement between the parties on the subject matter hereof. There are no other understandings, agreements, or representations, oral or written, not specified or referenced herein regarding this Compact or the subject matter hereof.

STATE OF OREGON

Theodore R. Kulongoski, Governor

Date: 4/6/05

CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON

Ron Suppah, Chairman
Warm Springs Tribal Council

Date: 4/6/05

APPROVED FOR LEGAL SUFFICIENCY