



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

AUG 13 1996

Honorable Sue Shaffer
Chairperson
Cow Creek Band of Umpqua Tribe
2400 Stewart Parkway, Suite 300
Roseburg, Oregon 97470-1563

Dear Chairperson Shaffer:

On July 1, 1996, we received Amendment III to the Tribal-State Compact for Regulation of Class III Gaming between the Cow Creek Band of Umpqua Tribe of Indians (Tribe) and the State of Oregon (State), dated June 21, 1996. We have completed our review of this Amendment and conclude that it does not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of the IGRA, we approve the Amendment. The Amendment shall take effect when the notice of our approval, pursuant to Section 11 (d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

We wish the Tribe and the State success in their economic venture.

Sincerely,

/s/ Michael J. Anderson

 Ada E. Deer
Assistant Secretary - Indian Affairs

Enclosures

Identical letter sent to: Honorable John Kitzhaber
Governor of Oregon
254 State Capitol
Salem, Oregon 97310

**TRIBAL-STATE COMPACT FOR REGULATION OF
CLASS III GAMING BETWEEN THE COW CREEK BAND OF
UMPQUA TRIBE OF INDIANS AND
THE STATE OF OREGON**

AMENDMENT III

This amendment is made to the Class III Gaming Compact between the Cow Creek Band of Umpqua Tribe of Indians and the State of Oregon executed on October 2, 1992, and approved by the Secretary of the Interior on November 30, 1992. The terms of this amendment are in addition to and, except as specifically provided herein, do not supersede any of the provisions of the original compact, or Amendments I or II thereto.

WHEREAS, the Tribe wishes to extend the terms of Amendment II to the Compact which provides for regulation of house banked blackjack at the gaming facility, and

WHEREAS, the Tribe wishes to amend the Compact to incorporate provisions that allow off-race course mutuel wagering, consistent with provisions in existing tribal gaming compacts negotiated by the State and other Oregon tribes and with the provisions of section 11.B.(1)(a) of the Compact; and

WHEREAS, the State agrees that the circumstances and in particular, the Tribe's continuing cooperation with the State in assuring the honesty, integrity and security of the gaming operation, and the Tribe's commitment to a close working relationship with the Oregon State Police, justify this Amendment,

NOW THEREFORE, the Tribe and the State hereby approve the following amendments to the Compact:

I. Paragraph 8 of Subsection E of Section 4 of the Compact (added by Amendment II), is amended as follows:

8. ~~[This amendment expires on June 30, 1996]~~ This subsection 4.E. of the Compact, including all amendments made to it by this Amendment III, expires December 31, 1997. Unless an extension of this ~~[amendment or a permanent amendment]~~ subsection or a permanent Compact provision governing the operation of house banked blackjack has been negotiated and executed before the expiration of this ~~[amendment]~~ subsection, the Tribe agrees to terminate blackjack games at the gaming facility until a new agreement governing the operation of house banked blackjack has been negotiated and executed.

II. Paragraph 3 of Subsection E of Section 4 of the Compact (added by Amendment II) is amended as follows:

3. a. The Tribe shall establish an initial wager limit of ~~[\$50]~~ \$100 per hand except that the Tribe may offer a maximum ~~[\$100]~~ \$500 wager limit on ~~[two]~~ five 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 subsection. The amount of any increase in the wager limit must be agreed to by both the State and the Tribe.

b. For purposes of this subsection, "full compliance" means:

1) All of the rules, procedures and plans required under subsection 2 of this section have been adopted and approved by the Tribal Gaming Commission, have been approved by OSP as meeting the standards of Appendix D, and have been implemented;

2) The Gaming Operation has complied with limits on wagers and the number of tables;

3) All required training is completed;

4) The Tribal Gaming Commission has adopted policy and procedures that sets forth appropriate sanctions for employees who fail to follow the regulations and internal controls of the commission, gaming operation management has committed in writing to train employees and impose the sanctions for violations, and the Tribal Gaming Commission's procedures provide for investigation of possible violations by the commission;

5) The Tribal Gaming Commission has adopted and implemented procedures for direct reporting of possible violations to the Tribal Gaming Commission by any employee of the gaming operation; and

6) The Tribal Gaming Commission has maintained records of investigations of all reports of possible violations, and has promptly reported confirmed violations to the Oregon State Police including the action taken by the commission or gaming operation management to correct the failure, and the discipline or sanctions imposed.

III. Paragraph 4 of Subsection E of Section 4 of the Compact (added by Amendment II) is amended as follows:

4. a. Except as provided in subparagraph b. of this paragraph, the Tribe may operate a maximum of eight tables of house banked blackjack at the gaming facility during the term of this agreement. The Tribe agrees that the maximum number of video lottery terminals permitted at the gaming facility under section 4.D. of the Compact is 270. During the term of this amendment, the Tribe agrees that the combination of video lottery terminals and blackjack tables on the gaming floor will not exceed eight blackjack tables and 206 video lottery terminals, except that the Tribe may increase the number of video lottery terminals by decreasing the number of blackjack tables on the gaming floor. An increase of eight video lottery terminals is permitted for each decrease of one blackjack table.
- b. The Tribe expects to complete an expansion of the current gaming facility no later than December 1996. The Tribe agrees that the maximum number of video lottery terminals permitted at the expanded gaming facility under section 4.D. of the Compact is 1,140. Upon completion of the expansion, the Tribe may operate a maximum of thirty tables of house banked blackjack during the term of this amendment, and so long as the Tribe is operating thirty blackjack tables, the Tribe agrees that the number of video lottery terminals on the gaming floor will not exceed 900. As stated above, the Tribe may increase the number of video lottery terminals by decreasing the number of blackjack tables on the gaming floor at the rate of eight video lottery terminals for each blackjack table.

IV. The following new paragraph 9 is added to Subsection E of Section 4 of the Compact (added by Amendment II):

9. The Tribe and the State agree that the State shall conduct a comprehensive compliance review, as described in Section 8.B.1 of the Compact, of the tribal gaming operation to be completed no later than October 1, 1996.

V. The following new subsection 10 is added to Section 4.E. of the Compact (added by Amendment II):

10. Principles Governing Gaming Operations Decisions

- a. The Tribe and the State agree that maintaining the honesty, integrity, fairness and security of the Tribe's 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 the responsibility to protect the citizens of this State who patronize the Tribe's gaming facility from any breach of security of the gaming operation. Accordingly, all decisions by the Tribe, the Tribal Gaming Commission and the management of the gaming operation, concerning regulation and operation of the Gaming 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 enterprise, whether made by the Tribe, the Tribal Gaming Commission or the management of the gaming operation, shall reflect the particularly sensitive nature of a gaming operation.
 - (2) In order to maintain the honesty, integrity, fairness and security of the Tribe's gaming operation, the Tribe, the Tribal Gaming Commission and the management of the 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 honesty, integrity, fairness and security of the Tribe's gaming operation shall be of paramount consideration in awarding contracts, licensing and hiring employees, and in making other business decisions concerning the operation of the gaming enterprise. The Tribe, the Tribal Gaming Commission and the management of the gaming operation shall make no decisions that compromise the honesty, integrity, fairness or security of the gaming operation.
 - (4) Regulation and operation of the Tribe's gaming activities shall be, at a minimum, consistent with generally accepted industry standards and practices, in order to maintain the honesty, integrity, fairness and security of the Tribe's gaming operation.

- b. Procedure for Resolving Disputes Concerning Operational Decisions.
- (1) If the State, in good faith, believes that any decision by the Tribe relating to the employment or licensing of any employee, awarding of any contract or operation of the gaming enterprise is inconsistent with the principles set forth in subsection A of this section, or any other requirement of this section, the State may give written notice to the Tribe. The written notice shall describe the factual basis for the State's concern.
 - (2) The parties shall meet and confer within 15 days after the Tribe receive the notice.
 - (3)
 - (a) If the State's concern is not resolved informally, either party may initiate non-binding arbitration within 45 days after the service of the written notice.
 - (b) 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.
 - (c) Upon agreement by both parties, the arbitration proceeding shall be binding.
 - (d) The parties shall divide the cost of the arbitration proceeding equally between them.
 - (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 15 of this Compact.

(5) Expedited Procedure.

- (a) If the State, in good faith, believes that there is an immediate threat to the honesty, integrity, fairness and security of the Tribal gaming operations, and believes that substantial harm will result during the time that would pass if the procedure established in paragraphs 1 to 3 of this subsection is followed, the State may give written notice to the Cow Creek 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 commission, or any member thereof, receives the notice. The Tribal Gaming Commission shall consider the State's recommendation, and immediately thereafter shall take such action that addresses the State's concern as is necessary to protect the honesty, integrity, fairness and security 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 commission has taken action.
- (b) The parties shall confer within 5 days after the Tribe receives the notice.
- (c) If the State's concern is not resolved informally within ten days after the Tribe receives the notice, the State may initiate an action in the United States District Court for the District of Oregon as provided in section 15 of this Compact.
- (d) An immediate threat to the honesty, integrity, fairness and security of the Tribal gaming operations includes but is not limited to the following examples:
 - (i) A criminal indictment is filed against any contractor, or owner or key employee of a contractor, or against any key employee of the Tribal gaming operation;

- (ii) A criminal organization or members of a criminal organization have obtained an ownership interest in a contractor, or a member of a criminal organization has become a key employee of a contractor;
- (iii) A malfunction of gaming equipment hardware or software causes patrons of the Gaming 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 Tribe, the Tribal Gaming Commission or management of the gaming operation to enforce compliance with the provisions of this Compact, or the regulations and internal controls governing the gaming operation.

c. This subsection expires December 31, 1997.

VI. Paragraph 1 of Subsection B of Section 8 of the Compact is amended to read:

1. **Monitoring.** The State is authorized hereby to monitor the tribal gaming operation as the State considers necessary to ensure that the operation is conducted in compliance with the provisions of this Compact. The State shall have free and unrestricted access to all areas of the Gaming Facility during normal operating hours without giving prior notice to the Tribal gaming operation. The Tribe agrees that the State monitoring function includes at a minimum the activities identified in the Compact, the amendments and the memorandum 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 the memorandum of understanding entered into pursuant to this Compact. In addition to the State's regular monitoring functions, the Tribe agrees that the State may conduct the following activities, which shall also be assessed to the Tribe:

- a. A comprehensive annual review, which shall be planned and conducted jointly with the tribal gaming commission, of the gaming operation to verify compliance with the requirements of this Compact and with the regulations and internal controls adopted by the tribal gaming commission, including at a minimum review in the following areas: administrative controls (gaming management 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, 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 gaming operation in order to verify compliance with the requirements of this Compact and with the regulations and internal controls;
- c. Investigation of possible violations of this Compact or other gaming regulatory matters, whether discovered during the action, review, or inspection by the State during its monitoring activities, or otherwise;
- d. Investigation of possible criminal law violations that involve the conduct of the gaming operation whether discovered during the action, review, or inspection by the State during its monitoring activities, or otherwise.

VII. Section 7.F. of the Compact is amended to read:

- F. ~~Prohibition of alcohol. No alcohol shall be served in the Gaming Facility.]~~ ~~Service of Alcohol. No alcohol shall be served in the Gaming Facility unless authorized by the Tribe as permitted by federal law. The Tribe and the State shall enter into a Memorandum of Understanding that will establish which State liquor laws and Oregon Liquor Control Commission licensing regulations shall be applied to the sale or service of alcoholic beverages at the Gaming Facility. 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 Gaming Facility, no alcoholic beverages may be served free or at a reduced price to any patron of the Gaming Facility as an inducement to participate in any gaming. No alcohol may be served on the gaming floor while gaming is taking place.~~

VIII. Section 4.B.(1) of the Compact is amended as follows:

B. Authorized games.

- (1) Subject to the provisions of this Compact, the Tribe may engage in only the following Class III games: video lottery games of chance as described in Appendix A, keno as described in Appendix B and off-race course mutuel wagering as described in Appendix C.

IX. A. Section 7 of the Tribal State Compact is amended by adding a new subsection A-1 to read as follows:

- A-1. Pari-Mutuel Wagering. The operation of off-race course mutuel wagering authorized under this Compact shall be in accordance with the rules and regulations set forth in Appendix C. Appendix C is hereby incorporated into and made part of this Compact.

B. The Tribal State Compact is amended by adding a new Appendix D to read as follows:

**TRIBAL-STATE COMPACT FOR REGULATION
OF CLASS III GAMING BETWEEN THE COW CREEK BAND OF
UMPQUA TRIBE OF INDIANS AND
THE STATE OF OREGON**

Appendix D

I. PARI-MUTUEL RULES - IN GENERAL

OPERATION OF PART-MUTUEL DEPARTMENT

Section 462-50-040

The Tribal Gaming Commission shall require a Primary Management Official to maintain separate oversight of pari-mutuel activities within the Gaming Facility.

PROHIBITIONS AGAINST WAGERS BY MINORS AND EMPLOYEES

Section 462-50-140

- (1) No person under the age of 18 years shall be allowed to place or collect a wager at the off-track wagering facility.
- (2) No employee of the off-track wagering facility shall be allowed to place or collect a wager at the off-track wagering facility while on duty.

UNCLAIMED WINNINGS

Section 462-50-210

- (1) The Tribal Gaming Commission shall require the pari-mutuel wagering facility to maintain, or provide for, an unclaimed winnings account for each race meet in which wagers are accepted.
- (2) The Commission shall require that any person claiming to be entitled to any part of the winnings from a mutuel wagering system operated by the Tribe who fails to claim the money due the person prior to completion of the race meet for which a mutuel ticket was purchased, may file a claim for payment of winnings within 90 days after the close of the race meet. After 90 days from the close of a race meet, all tickets may be deemed void.
- (3) After 120 days after the close of a race meet, unclaimed winnings in the account may revert to the Tribe.

RECORDS

Section 462-50-240

The Tribal Gaming Commission shall assure that sufficient records of wagering are maintained by the pari-mutuel wagering facility to allow review of the opening line, odds fluctuations and the amount of wagers at each window or station.

PARI-MUTUEL TICKETS

Section 462-50-250

- (1) A pari-mutuel ticket is evidence of a contribution to the pari-mutuel pool in which the Tribe is participating, and is evidence of the obligation of the operator of the pool to pay to the holder thereof such portion of the distributable amount of the pari-mutuel pool as is represented by such valid pari-mutuel ticket. The Tribe shall cash all valid winning tickets when such are presented for payment during the course of the race meeting for which the tickets were sold, and for 90 days after the last day of the race meeting.
- (2) To be deemed a valid pari-mutuel ticket, such ticket shall have been issued by a pari-mutuel ticket machine operated by the Tribe and recorded as a ticket entitled to a share of the pari-mutuel pool, and contain imprinted information as to:
 - (a) The name of the Tribe and of the association operating the race meeting;
 - (b) A unique identifying number or code;

- (c) Identification of the terminal at which the ticket was issued;
 - (d) A designation of the performance for which the wagering transaction was issued;
 - (e) The contest number for which the pool is conducted;
 - (f) The type or types of wagers represented;
 - (g) The number or numbers representing the betting interests for which the wager is recorded;
 - (h) The amount or amounts of the contributions to the pari-mutuel pool or pools for which the ticket is evidence.
- (3) The Tribe may withhold payment and refuse to cash any pari-mutuel ticket deemed not valid. A ticket is not valid if it has been recorded or reported as previously paid, canceled or non-existent.

PARI-MUTUEL TICKET SALES

Section 462-50-260

- (1) Pari-mutuel tickets shall not be sold by anyone other than the Tribe or a licensed employee of the Tribe.
- (2) No pari-mutuel ticket may be sold on a contest for which wagering has already been closed and the Tribe shall not be responsible for ticket sales entered into but not completed by issuance of a ticket before wagering is closed on that contest.
- (3) Claims relating to a mistake on an issued or unissued ticket must be made by the bettor before leaving the seller's window. Once a bettor has left the window all bets are final, except as provided by rule of the Tribal Gaming Commission.
- (4) Payment on winning pari-mutuel wagers shall be made on the basis of the order of finish as posted and declared "official." Any subsequent change in the order of finish or award of purse money as may result from a subsequent ruling by race stewards or the regulatory body governing the race meet shall in no way affect the pari-mutuel payoff.
- (5) The Tribe is not required to satisfy claims on lost, mutilated or altered pari-mutuel tickets, except as provided in rules of the Tribal Gaming Commission.

- (6) The Tribe is not obligated to enter a wager into a betting pool if unable to do so due to an equipment failure.

CLAIMS FOR PAYMENT FROM PARI-MUTUEL POOL

Section 462-50-280

- (1) At a designated location, a written, verified claim for payment from a pari-mutuel pool shall be accepted by the Tribe in any case in which the Tribe has withheld payment or have refused to cash a pari-mutuel wager. The claim shall be made in the manner and on such form as prescribed by the Tribal Gaming Commission.
- (2) In the case of a claim made for payment of a mutilated pari-mutuel ticket that does not contain the total imprinted elements required in section 462-50-250, the manager of the pari-mutuel department shall make a recommendation to accompany the claim to the Tribal Gaming Commission as to whether or not the mutilated ticket has sufficient elements to be positively identified as a winning ticket.
- (3) In the case of a claim made for payment on a pari-mutuel wager, the Commission shall adjudicate the claim and order payment, deny the claim or make such other order as it may deem proper.

PAYMENT FOR ERRORS

Section 462-50-290

If an error occurs in the payment amounts for pari-mutuel wagers that are cashed or entitled to be cashed; and as a result of the error the pari-mutuel pool involved in the error is not correctly distributed among winning ticket holders, the following shall apply, unless otherwise provided in the rules governing any interstate pari-mutuel pool in which the Tribe participates:

- (1) The Tribe shall verify that the amount of the commission, the amount of breakage and the amount of payoffs is equal to the total gross pool. If the amount of the pool is more than the amount used to calculate the payoff, the underpayment shall revert to the Tribe.
- (2) If the error results in an overpayment to winning wagers, the Tribe shall be responsible for such payment.

COMPLAINTS CONCERNING PARI-MUTUEL OPERATIONS

Section 462-50-350

- (1) When a patron makes a complaint concerning the pari-mutuel department to the Tribe or the Primary Management Official, a complaint report shall be prepared. The report shall contain the following information:
 - (a) The name of the complainant;
 - (b) The nature of the complaint;
 - (c) The name of the person(s), if any, against whom the complaint was made;
 - (d) The date of the complaint;
 - (e) The action taken or proposed to be taken, if any, by the Tribe or Primary Management Official.
- (2) The complaint report shall be submitted to the Tribal Gaming Commission as required by the Commission.

II. OFF-TRACK PARIMUTUEL WAGERING

DEFINITIONS

Section 462-50-400

The following definitions shall apply to these rules unless the text otherwise requires.

- (1) "Authorized User" means a person authorized by the Tribe to receive, to decode and to use for legal purposes the encrypted simulcast signal of racing events.
- (2) "Combined Pari-Mutuel Pools," or "Combined Pools" means the pari-mutuel wagers at one or more off-track wagering facilities being contributed into the pari-mutuel pools of a host association.
- (3) "Commission" means the Tribal Gaming Commission.
- (4) "Host," "Host Association," or "Host Track" means the race track conducting a licensed race meet that is being simulcast.

- (5) "Intrastate Wagering" means pari-mutuel wagering at an off-track wagering facility on Oregon racing events being run at an Oregon host association.
- (6) "Off-Track Wagering" means pari-mutuel wagering conducted on a race at a location other than the race course where the race is actually held.
- (7) "Off-Track Wagering Facility," "Intrastate Wagering Facility" or "Extended Wagering Facility" means physical premises, utilized for the conduct of pari-mutuel wagering on racing events being run elsewhere.
- (8) "Simulcast" or "simulcasting" means live audiovisual electronic signals emanating from a race meeting and transmitted simultaneously with the running of the racing events at that meeting, and includes the transmission of pari-mutuel wagering odds, amounts wagered and payoff on such events, and other racing programming relating to the race animals or participants.

OFF-TRACK WAGERING RULES

Section 462-50-420

No person, partnership, corporation or other entity shall be allowed to operate an off-track wagering facility under this Compact except according to the rules of the Tribal Gaming Commission. No change in the plan of operation of an off-track wagering facility may occur until the change to the plan is approved by the Commission.

APPROVAL OF OFF-TRACK WAGERING FACILITIES

Section 462-50-430

The Commission's rules shall require an off-track wagering facility to:

- (1) Provide security measures adequate to assure personal safety of patrons and employees, safeguard transmission of simulcast signals, secure money used for pari-mutuel wagering activity and to control the transmission of wagering data to effectuate common wagering pools.
- (2) Use data processing, communication and transmission equipment that will at all times assure accurate and secure transmission of wagers, take outs and surcharges; program information, weight changes, over weights, tip sheets, scratches, and all other information that is usually made available to patrons at a race track.
- (3) Use adequate transmitting and receiving equipment of acceptable broadcast quality.

- (4) Assure that all equipment is in proper working order, and that sufficient back up equipment is available to prevent foreseeable interruptions in operations due to breakdowns or malfunctions of data, transmission or communications equipment.
- (5) Use a system of accounts that will maintain a separate record of pari-mutuel revenues collected by the simulcast facility, the distribution of those revenues (take out, breakage and return to the public) and account for costs of the simulcast operation.
- (6) Provide, or obtain access to, the necessary totalizator equipment to conduct simulcast wagering, and assure that the integrity of the tote system used by the off-track wagering facility is maintained.
- (7) Ensure correct payment of the distributable amounts of parimutuel pools held by the Tribe pursuant to the rules applicable to the combined pools in which the off-track wagering facility is participating, and rules of the Commission.
- (8) Ensure that patrons of the off-track wagering facility receive accurate information as to the rules for wagering and distribution of winnings that apply to each race.
- (9) Ensure that personnel employed in the off-track wagering facility are sufficiently trained in the areas of money handling, operation of tote and ticket generating equipment and communications equipment.

Provide for continuous viewing and continuous transmission of odds for the race meets on which wagers will be accepted by the off-track wagering facility.

FINANCIAL REPORTS

Section 462-50-440

The Commission shall provide for the audit of the pari-mutuel operations at an off-track wagering facility. The audit shall enable review of the financial records related to each separate betting pool in which patrons of the facility participate.

GENERAL OPERATIONS

Section 462-50-460

The Commission shall provide for sufficient communications capability with the disseminator of a simulcast signal to assure accurate transmission and receipt of wagering and odds information. The Commission shall provide for immediate, uninterruptible communication by voice and by other data transmission media in order to be able to respond in a timely way to any operational problem with equipment or any problem related to the conduct of a race meet that would affect wagering at the off-track facility.

UNUSUAL SITUATIONS IN OFF-TRACK WAGERING

Section 462-50-480

The Commission shall establish procedures for responding to loss of audio or video signal at the off-track wagering facility. In the case of loss of signal, the Commission's rules shall assure that unless an alternative means of displaying odds is provided, wagering shall cease until signal can be re-established.

INTERSTATE COMMON POOL WAGERS

Section 462-50-490

- (1) Pursuant to the Interstate Horseracing Act of 1978 (15 USC §3001 to 3007), the Tribal Gaming Commission shall obtain consent from the Oregon Racing Commission in order to participate in interstate common pools.
- (2) The Tribal Gaming Commission shall require any wagers in interstate common pools to be accounted for separately other than for purposes of computing odds and calculating payoffs and breakage.

GUEST STATE PARTICIPATION IN INTERSTATE COMMON POOLS

Section 462-50-500.

The Tribal Gaming Commission shall provide rules for the combination of pari-mutuel wagering pools with corresponding pools in multiple jurisdictions. Those rules shall govern the adjustment of takeout rates and merging of bets placed in an interstate common pool.

X. Paragraph (2) of Subsection B of Section 8 of the Compact is amended as follows:

- (2) Access to Records. The State is authorized hereby to review and copy, during normal business hours, and upon reasonable notice, all records maintained by the Tribal gaming operation; provided, that any documents containing financial information, proprietary ideas, plans, methods, data, development, inventions or other proprietary information regarding the gambling enterprise of the Tribe, games conducted by the Tribe, or the operation thereof provided to the State by the Tribe, any copy thereof and any information derived therefrom, shall be deemed confidential and proprietary financial information of the Tribe and is hereby acknowledged by the State to have been submitted to the State by the Tribe voluntarily and in confidence, and with the expectation that the records will be regarded as confidential. The State agrees that the disclosure of such documents shall be protected to the extent provided under ORS 192.410 to 192.505, and other applicable law. Any records or copies removed from the premises shall be returned to the Tribe after use. Nothing in this subsection precludes the State or the Tribe from disclosing information subject to an appropriate judicial order under the Rules of Civil Procedure or Evidence in connection with litigation, a prosecution or a criminal investigation.

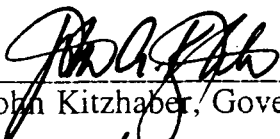
XI. The provisions of paragraphs VI, VII, VIII, IX and X of this Amendment shall take effect at the time and in the manner prescribed in paragraph XIII of this Amendment, and shall remain effective as long as the Tribal State Compact remains in effect.

XII. The Tribe and the State agree to amend the Memorandum of Understanding adopted under Amendment II to the Compact, as set forth in Exhibit I to this Amendment.

XIII. This amendment is effective as an extension under Paragraph 8 of subsection E of Section 4 of the Compact (added by Amendment II) upon execution by the State and the Tribe, and submission to the Secretary of the Interior. It is the intent of both the State and the Tribe that this Amendment be fully enforceable as between the parties to it from and after the date it is executed and submitted to the Secretary of the Interior, both as to the Tribe's ability to offer house banked blackjack and the State's and the Tribe's responsibility to implement the regulatory amendments contained herein.

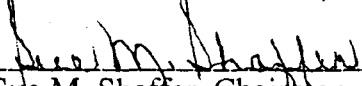
EXECUTED as of the date and year below.

STATE OF OREGON



John Kitzhaber, Governor
Date: 6-21-96

COW CREEK BAND OF UMPQUA
TRIBE OF INDIANS



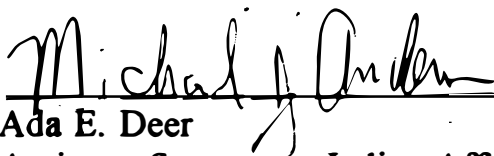
Sue M. Shaffer, Chairman
Date: June 19, 1996

~~APPROVED BY THE SECRETARY OF THE INTERIOR~~

By: _____

Date: _____

Consistent with 25 U.S.C.A. Sec. 2710 (d)(8), Amendment III to the Tribal-State Compact for Regulation of Class III Gaming Between the Cow Creek Band of Umpqua Tribe of Indians and the State of Oregon is hereby approved on the 13th day of August, 1996, by the Assistant Secretary - Indian Affairs, United States Department of the Interior.



for Ada E. Deer
Assistant Secretary - Indian Affairs

**EXHIBIT I
MEMORANDUM OF UNDERSTANDING
PURSUANT TO
THE TRIBAL-STATE COMPACT FOR REGULATION OF
CLASS III GAMING BETWEEN**

The Cow Creek Band of Umpqua Tribe of Indians and the State of Oregon.

1. Paragraph 3 of Subsection B of Section III of the Memorandum of Understanding (MOU) executed contemporaneously with Amendment II to the Compact is amended as follows, effective July 1, 1996:

3. The Tribe agrees to pay for up to 2,800 direct service hours for the period beginning on ~~[October 1, 1995, and ending June 30, 1996]~~ July 1, 1996, and ending June 30, 1997, for the actual, reasonable and necessary costs of the performance of Compact monitoring functions identified in the Compact, the amendments thereto, and the MOU between the Tribe and the State, including performance of one comprehensive compact compliance review. [The Tribe must agree in writing to pay for any additional hours.] If the State determines that more hours are necessary for Compact monitoring functions, the State shall notify the Tribe and the parties agree to meet and negotiate a new limit in writing on direct service hours for monitoring functions. However, if any investigation of criminal law violations related to or occurring in the course of gaming operations, Compact violations or other gaming regulatory matters, results from the action, review, or inspection by the Tribal Gaming Unit during its monitoring activities, ~~[and that investigation requires additional hours of direct service beyond the limit stated in this paragraph,]~~ the Tribe agrees to pay the State for the actual, reasonable and necessary expenses incurred in that investigation separately from and without regard to the limit on the number of direct service hours stated in this paragraph. An investigation may be initiated by the Tribal Gaming Unit in its sole, reasonable, discretion. Cost of an investigation of a contractor or management company shall first be billed to the contractor or management company. Before the State initiates an investigation of a contractor or management company, the State shall notify the Tribe if the contractor or management company does not agree to pay the cost of the investigation.
2. Section VI of the MOU executed contemporaneously with Amendment II to the Compact is amended as follows, effective July 1, 1996:

VI EXPIRATION

This MOU shall expire ~~June 30, 1996~~ June 30, 1997. Thirty days before the expiration date of this MOU the parties shall meet to renegotiate the terms of the MOU and to address any change in circumstances to which this MOU applies. If the State and the Tribe have not re-negotiated a replacement MOU by the expiration date of this MOU, this MOU shall continue in effect until such time as a new MOU is executed.

3.e The remainder of the MOU executed contemporaneously with Amendment II to the Compact shall remain in effect until July 1, 1997, unless amended sooner.

ACKNOWLEDGED BY:

COW CREEK BAND OF UMPQUA TRIBE OF INDIANS


Shafer, C. Allen

June 19, 1996
Date

OREGON STATE POLICE


Leron Howland, Superintendent

6-25-96
Date