

AMENDMENT I TO THE AMENDED AND RESTATED TRIBAL-STATE COMPACT FOR
REGULATION OF CLASS III GAMING BETWEEN THE KLAMATH TRIBES AND THE
STATE OF OREGON

Three Amendments

The following three (3) amendments are made to the Amended and Restated Class III Gaming Compact between the Klamath Tribes (the "Tribes") and the State of Oregon (the "State") executed by the parties on April 26, 2016 and approved by the Secretary of the Interior effective July 6, 2016 (the "Compact"). The terms of this Amendment are in addition to and, except as specifically provided herein, do not supersede any of the provisions in the Compact.

Amendment #I-A

WHEREAS, the Tribes and State wish to update the definition of "Video Lottery Terminal" to reflect changes in Video Lottery Terminal technology; and provide procedures for offering new Video Lottery Terminals;

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

1. The definition of "Video Lottery Terminal" in (Section 3(BB)) is revised as follows:

BB. "Video Lottery Terminal" or "terminal" means any electronic or other device, ~~contrivance~~ or machine;

- (1) ~~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 electro-mechanical 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 is determined predominantly by the application of the element of chance and with the amount won determined by the possible prizes displayed on the device and which awards game credits. Such device shall also display both win amounts and current credits available for play to the player. The game outcome may involve skill, as long as the element of chance plays a predominant role;~~
- (2) which is available for consumer play at the device upon payment of any consideration and which awards game credits;
- (3) which displays game outcome, win amounts and current credits available for play to the player on an electronic or video display mechanism;
- (4) which employs game outcome decision making technology that can be tested by an independent gaming test laboratory for conformance with this definition, and the Tribal-State Minimum Internal Control Standards for Video Lottery Terminals, as may be amended; and

- (5) which operates on the computerized Casino Management System, as defined in the Tribal-State Minimum Internal Controls.

Such term shall not include any Class II gaming device.

2. The following provision is added to the Compact as Section 4(B)(7):

7. Before a new Video Lottery Terminal is offered for Play, the Tribal Gaming Commission shall ensure that the Tribal Gaming Operation develops appropriate internal controls for the new Video Lottery Terminal that meet the Tribal-State MICS. A new Video Lottery Terminal is one in which the basic structure, including sensitive components as defined in the Tribal-State MICS, is different than a previously offered Video Lottery Terminal. The Tribal Gaming Commission shall notify the State of the Tribe's intent to offer such new Video Lottery Terminal and provide related internal controls for review, mailed to the State through certified mail. Within fourteen (14) days of receipt of internal controls, the State shall respond to the Tribal Gaming Commission with its agreement or disagreement. If the State does not respond within fourteen (14) days, it shall be treated as the State having agreed to the new Video Lottery Terminal and the internal controls.

Amendment #I-B

WHEREAS, the Tribes and State wish to provide for certain flexibility in waiving disqualifying conditions for gaming contracts if certain mitigating factors are present;

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

1. Section 7(B)(6) of the Compact is amended to add a new Section 7(B)(6)(f) to read as follows:

f. Notwithstanding the provisions of this paragraph 6 of subsection B of this section, the Tribes may approve a contract related to Class III gaming that must otherwise be denied if the Tribes determine, based on a consideration of the following factors, that approving such contract would not adversely impact the security, integrity, honesty, and fairness of the Tribal Gaming Operation:

- (1) The nature and severity of the conduct that constituted the offense or crime;
- (2) The time that has passed since satisfactory completion of the sentence, probation, or payment of the fine imposed;

- (3) The number of offenses or crimes; and
- (4) Any extenuating circumstances that enhance or reduce the impact of the offense or crime on the security, integrity, honesty, and fairness of the Tribal Gaming Operation.

Amendment #I-C

WHEREAS, the Tribes and State wish to provide for certain flexibility in waiving disqualifying conditions for gaming contracts if certain mitigating factors are present;

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

1. Section 8(C) of the Compact is amended as follows:

- C. No credit extended. All gaming shall be conducted on a cash basis. Except as provided herein, no person shall be extended credit for gaming nor shall the Tribes permit any person or organization to offer such credit for a fee. Cashing checks in the Class III gaming area constitutes extending credit under this subsection. ~~This restriction shall not apply to~~ The following shall not constitute an extension of credit:
 1. ~~eCredits won by players who activate play on video games of chance after inserting coins or currency into the games;~~
 2. ~~This section shall not restrict the right of the Tribes or any other person to offer check-cashing or i~~Installing and accepting bank card or credit card transactions in the same manner as is permitted at any retail business in the State;
 3. Cashing a check if that check is issued by the Klamath Tribes, by any Klamath Tribal entity, by any Klamath Tribal corporation, by any agency or entity of the United States government, or by any agency or entity of the State of Oregon government, provided that the Gaming Operation checks a government issued identification for the person cashing the check and confirms that the information on the identification and the check match the person cashing the check; or
 4. Cashing any other check, anywhere in the Class III gaming area, using an independent check screening service that verifies availability of funds or guarantees the check; ~~The Tribes may~~

~~also use a third party check verification service and process approved by OSP provided the Gaming Operation may not override a negative determination by the service. The Tribes shall give OSP 60 days notice of its request to use a third party check verification service, unless the parties agree otherwise.~~

STATE OF OREGON

Dated: 8/28/18



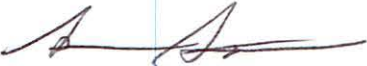
Kate Brown, Governor

KLAMATH TRIBES

Dated: _____

Donald C. Gentry, Chairman

APPROVED FOR LEGAL SUFFICIENCY



Stephanie L. Striffler
Oregon Department of Justice
Dated: 8/29/18

APPROVED BY THE ASSISTANT SECRETARY – INDIAN AFFAIRS

By: _____

Dated: _____

Dm9144698_v1

~~also use a third party check verification service and process approved by OSP provided the Gaming Operation may not override a negative determination by the service. The Tribes shall give OSP 60 days notice of its request to use a third party check verification service, unless the parties agree otherwise.~~

STATE OF OREGON

Dated: _____

Kate Brown, Governor

KLAMATH TRIBES

Dated: 9/26/13



Donald C. Gentry, Chairman

APPROVED FOR LEGAL SUFFICIENCY

Stephanie L. Striffler
Oregon Department of Justice
Dated: _____

APPROVED BY THE ASSISTANT SECRETARY – INDIAN AFFAIRS

By: _____

Dated: _____

Dm9127943v3