



STATE OF OKLAHOMA  
OFFICE OF THE GOVERNOR

December 9, 2013

Governor Janice Prairie-Chief Boswell  
Cheyenne & Arapaho Tribes of Oklahoma  
100 Red Moon Circle  
Concho, Oklahoma 73022

Re: First Amended Settlement Agreement

Dear Governor Boswell,

We have reviewed the November 6, 2013, letter from the Assistant Secretary for Indian Affairs (Assistant Secretary) of the U.S. Department of Interior (DOI) indicating disapproval of the First Amended Settlement Agreement (First Amended Settlement) between the Cheyenne & Arapaho Tribes (Tribes) and the State of Oklahoma (State).

We disagree with the Assistant Secretary that concessions from the State in consideration of revenue sharing in the Tribes' gaming operations are "illusory", just as we disagreed last August when the Assistant Secretary disapproved the original Settlement Agreement between the parties, then on the ground the agreed share of revenue to the State was somehow inappropriate. We feel bound to note that shifting the explanations for disapproving gaming on the part of the Tribes did little to enhance any of the positions taken on behalf of DOI.

In the Governor's view, the State Tribal Gaming Act of 2004 prescribing the terms of the Class III Compact (Compact) between the Tribes and the State fully authorizes the Amended Settlement and gaming directed to an international market contemplated by the parties.

There are several reasons for the Governor's position:

1. The Compact recognized and authorized characteristics of the "covered games", which included the use of Technological Aids pursuant to IGRA;

2. The Compact exclusivity fee was justified and not *illusory* because of the exclusivity it provided to Tribes located within the State as opposed to third parties also located within the State; and
3. The Compact exclusivity fee also applies to the operation of internet gaming websites, therefore upholding the original bargained for benefit to the Tribes.

Consequently, Governor Fallin supports the Tribes – and any State chartered financial institution engaged within the Tribes jurisdictional area – and submits they have the right to receive and process international transactions, pursuant to the terms of the Amended Settlement, which in the State’s view remain in effect, notwithstanding the purported decision taken by the Assistant Secretary for Indian Affairs.

Sincerely,

A handwritten signature in black ink, appearing to read 'SK Mullins', written over a horizontal line.

Steven K. Mullins, General Counsel  
Office of Governor Mary Fallin