

**SECOND AMENDMENT TO THE WISCONSIN WINNEBAGO TRIBE,
NOW KNOWN AS THE HO-CHUNK NATION, AND THE
STATE OF WISCONSIN GAMING COMPACT OF 1992**

This Amendment ("Second Amendment") is entered into on this 25th day of April 2003 by and between the Ho-Chunk Nation ("Nation") and the State of Wisconsin ("State"). The Nation and the State shall hereinafter be referred to collectively as the "Parties." The term Nation shall also mean the "Wisconsin Winnebago Tribe" or "Tribe" as those terms are used in both the "Compact" and "Amendment" defined below.

RECITALS

WHEREAS, Section XXXII of the Wisconsin Winnebago Tribe and the State of Wisconsin Gaming Compact of 1992 ("Compact") provides that it may be amended upon written agreement of both Parties; and

WHEREAS, on December 11, 1998, the Parties amended ("Amendment") the Compact; and

WHEREAS, the Parties believe that it is in their mutual interest to amend the terms of the Compact and Amendment in accordance with the terms and conditions set forth in this Second Amendment.

NOW THEREFORE, in consideration of the mutual promises contained herein the Parties agree that the Compact and Amendment may be modified as follows:

1. Section IV of the Compact shall be amended by adding the following sentences before Section IV (A) of the Compact: The States of Illinois, Iowa and Michigan authorize within their borders a full range of casino games. In order to make Wisconsin Indian gaming facilities competitive with these surrounding States, the Parties have agreed that the Nation can offer for play the games authorized by this Section IV. The Parties agree that amendment of this Section is in the best interests of the State and its citizens because amendment of this Section will create additional employment opportunities and generate additional revenue for the State that can be used to provide services to its citizens.
2. Section IV (A) of the Compact shall be amended by deleting the word "and" in subsection 3; deleting the period after the word "played" at the end of subsection 4 and replacing the period with a semi-colon, and adding the following subsections: "5. All other banking, percentage and pari-mutuel card games; 6. All forms of Poker, to the extent that these games are not included in the previous subsection; 7. Craps; 8. All other banking and non-banking dice games; 9. Roulette; 10. Keno; 11. Wheel of Fortune; 12. Baccarat-chemin de fer; 13. Pari-mutuel wagering on live simulcast of horse, harness and dog racing events; 14. All finite lottery and lottery games; and 15. Any other game, whether played as a table game or played on an electronic or mechanical device, including devices that operate like slot machines, which consist of the elements of prize, chance and consideration, provided however, that nothing herein shall be construed as

authorizing the placing of a wager on an event conducted outside of the Nation's Class III gaming facilities except those games specified in subsection 13 above, and provided further, that nothing herein shall be construed as prohibiting the Nation from offering progressive jackpots or participating in a wide area progressive system as authorized under Section XV (D) (17)."

3. Section V(B) of the Compact is amended by deleting the Section in its entirety and substituting in its place the following sentence: No person under the age of 21 shall be permitted access to any portion of any facility in which any Class III game is conducted, except for the purposes: (1) of employment, provided the person qualifies for licensing pursuant to Section IX of the Compact, or (2) to gain access to the Nation's non-Class III gaming facilities.

4. Section XV of the Compact shall be amended by adding the following subsection:

- I. **MINIMUM STANDARDS FOR THE PLAYING OF GAMES.** Within sixty (60) days from the date of execution of this Second Amendment by the Parties, the Nation shall submit to the State Minimum Internal Control Standards ("MICS") for, at a minimum, all areas subject to the MICS established by the National Indian Gaming Commission ("NIGC"). These procedures shall meet or exceed the MICS as established by the NIGC. Within ninety (90) days from the date of submission of the Nation's MICS to the State, the State shall submit to the Nation any objection that it may have to any or all of the MICS submitted to the State. If the State submits any objection(s) to the Nation, the Parties shall, within ten (10) days of submission of the State's objection(s), meet and confer in Madison, Wisconsin at the State's Department of Administration for a reasonable period of time not to exceed sixty (60) days for the purpose of attempting in good faith to resolve the State's objection(s) to the proposed MICS. If at the end of the sixty (60) day period, the State's objection(s) have not been resolved to the mutual satisfaction of the Parties, then either Party may request, and if requested, the Parties shall agree, to resolve the dispute by binding arbitration in accordance with the procedures established herein. The arbitration shall be conducted in Madison, Wisconsin at a location approved by the arbitrators. Each Party shall select one arbitrator, and the two arbitrators shall select a third neutral arbitrator. The arbitrators shall be certified public accountants with casino auditing experience or substantial experience in preparing casino internal controls. The arbitrators shall conduct the arbitration in accordance with the arbitration rules of the American Arbitration Association ("AAA") applicable for conducting hearings, or any other arbitration rules mutually agreed upon by the Parties, but the arbitration shall not be conducted by or through the AAA. The arbitrators shall render a written decision within thirty (30) days from the conclusion of the arbitration hearing by selecting from the two proposals submitted by the Parties the one which best ensures: (1) the fairness of the playing of the game ("Game") that the MICS seeks to regulate; (2) that the revenue generated from the playing of the Game is

adequately counted and accounted for in accordance with Generally Accepted Accounting Principles for casinos; (3) a system of internal controls consistent with industry standards and practices; and (4) that the MICS are not clearly contrary to the law. Except as modified herein, either Party may enforce any arbitration decision or award entered pursuant to this Section in accordance with the provisions of Section XXIII (A) and (B) and Section XXIV of the Compact as amended by Section 11 of this Second Amendment. Either Party may propose a change or amendment to the MICS, or propose a new area to be subject to the MICS, at any time during the term of this Compact. The new proposed MICS and any MICS or changes to the MICS proposed thereafter, shall be subject to the objection and arbitration process set forth herein until the proposed MICS are either not objected to by either Party or are approved by the Arbitrators. Each Party shall bear one-half of the cost of the arbitration and shall bear their own costs and attorneys fees. The Nation shall promulgate the rules of play for all Class III games conducted by the Nation as MICS pursuant to this Section. Until a set of MICS is established addressing the software, hardware and other requirements currently governed by Sections XV and XVI of the Compact, the Nation may continue to conduct gaming under Sections XV and XVI, and the MICS in effect as of the effective date of this Amendment. MICS addressing the software, hardware, and other requirements currently governed by Sections XV and XVI shall supersede those provisions upon promulgation pursuant to this Section, and said Sections XV(A) through (H) and XVI(A) through (D) shall be deleted from the Compact. The parties shall comply with the MICS established pursuant to this Section.

5. Section XVI of the Compact is amended by adding the following subsection:

E. LOCATION OF GAMING FACILITIES. Except as otherwise provided for in this Compact, unless the State by amendment to this Compact consents to additional locations, the Class III games authorized under this Compact may be conducted with one Gaming Facility located in each of the following Counties: Jackson, Sauk, Wood and Dane. In addition, the Nation may conduct any of the Class III games authorized under this Compact at five Ancillary Facilities two of which are located in Jackson County and one of which is located in each of the following Counties: Sauk, Monroe, and Shawano. As used herein the term Gaming Facility means a facility whose Primary Business Purpose is gaming, and the term Ancillary Facility means a facility where fifty percent or more of the lot coverage of the trust property upon which the facility is located, is used for a Primary Business Purpose other than gaming. All Class III games authorized under this Compact are subject to the days and hours of operation set by the Nation.

6. Section XVIII of the Compact shall be amended by deleting the phrase: "set forth in sections XV and XVI for electronic games of chance and Blackjack, respectively" that

appears in the first sentence of the Section and substituting in its place the following: "adopted pursuant to Section XV." In addition, Section XVIII of the Compact shall be amended by deleting all of the second sentence of the Section that appears after the word "standards" and substituting the following: "adopted under Section XV may be modified in accordance with the procedures set forth in said Section XV, as amended.

7. Section XXVI of the Compact and Paragraph 1 of the Amendment shall be deleted in their entirety. In their place shall be substituted the following Section XXVI to the Compact:

XXVI. DURATION. This Compact shall remain in full force and effect, notwithstanding any other provision of the Compact, the Amendment, and this Second Amendment to the contrary, until one of the following events occur:

- A. This Compact is terminated by mutual consent of the Parties; or
- B. The Nation duly adopts a resolution revoking tribal authority to conduct Class III gaming upon tribal land as provided for in the Indian Gaming Regulatory Act (hereinafter IGRA).

8. Section XXVII (B) of the Compact shall be amended by adding the words "Monroe, Shawano" after the word "Sauk" and before the word "Jackson" in the third sentence of the subsection.

9. Paragraph 5 of the Amendment shall be amended by: (1) inserting the words: "Except for conducting Class III gaming at DeJope within the City of Madison" at the beginning of the first sentence in the paragraph and making the capital "T" in the word "the" lower case; (2) deleting the ("s") at the end of the word "resolution" that appears in the second line of the Paragraph; (3) inserting the word "by" after the word "city" but before the word "the" in the third line of the paragraph; (4) deleting the words "and the county" after the word "city" but before the word "authorizing" in the first sentence of the Paragraph, and (5) deleting all of the Paragraph after the word "Governor" that appears in the third line of the Paragraph and substituting in its place the following: "shall approve the site as the Nation's fourth location under the Compact." In addition, Paragraph 5 of the Amendment shall be amended by adding the following sentences at the end of the Paragraph:

"The Compact, as amended, has provided since 1991 that the Nation has the right to conduct Class III Gaming at a fourth (4th) location (i.e., one site in addition to its current Class III gaming facilities).

Since July 25, 1999, the Nation has conducted Class II gaming on its existing pre-October 18, 1988 tribal trust land ("Site") at an existing gaming facility commonly referred to as "DeJope." This Class II gaming consists of the playing of the games of bingo and pull tabs played both in their traditional form and on electronic and mechanical devices,

including devices that operate like slot machines.

The Nation has entered into an Intergovernmental Agreement with the City of Madison. Under that agreement, the Nation pays to the City for services provided by the City to the facility.

Given these facts, the Parties agree that, rather than pursue an off-reservation site, at this time, as its fourth location, the Nation's Site at DeJope can be the Nation's fourth location for conducting Class III gaming, subject to the following conditions:

- A. Referendum. In the event: (i) the City of Madison (the "City") Common Council passes a resolution recommending that the Dane County Board of Supervisors conducts a county wide referendum and the County of Dane (the "County") Board of Supervisors passes a resolution on or before December 1, 2003 providing for a County wide referendum ("Referendum") election to be conducted in 2004 (the cost of which shall be borne by the Nation) on the question of whether the Nation should be able to conduct Class III gaming at DeJope, and (ii) the voters approve the Referendum authorizing the Nation to conduct Class III gaming at DeJope, the Governor shall authorize the Nation to conduct Class III gaming at DeJope, if requested by the Nation, if to do so would be consistent with the public interest.
- B. No Referendum or Failed Referendum. In the event that the City and County do not pass the resolutions required in subparagraph A above on or before December 1, 2003, the Governor shall authorize the Nation to conduct Class III gaming at DeJope if requested to do so by the Nation, and if to do so would be consistent with the public interest. In the event the Referendum required by subparagraph A above is held but not approved, the Governor may approve DeJope as a Class III gaming facility only after the City Council passes a resolution approving DeJope as a Class III gaming facility as provided above in this Paragraph 9."

10. Section XXXII of the Compact shall be amended by adding the following at the end of the Section:

"At any time after June 1, 2010, but not later than August 30, 2010, and at any time after June 1, 2006, if the Nation is unable to obtain the Governor's approval of a fourth site to conduct Class III gaming, as set forth in Paragraph 9 of this Second Amendment, either Party may request negotiations for an amendment to Paragraph 12 of this Second Amendment establishing the fee the Nation shall pay to the State under the Compact. All requests to amend or renegotiate Paragraph 12 of this Second Amendment shall be in writing, addressed to the President of the Nation or the Governor of the State, as the case may be, and shall include the proposed amendment language. Upon receipt of the request, the Parties shall meet and confer promptly, but in no case more than ten (10) days from receipt of the request, to determine a schedule for commencing negotiations within thirty (30) days of the request. The Parties shall meet and negotiate in good faith for a

reasonable period of time not to exceed ninety (90) days. If at the end of the ninety (90) day period, the Parties have not reached agreement, or if prior to the expiration of the ninety (90) days the Parties agree that they have reached impasse, then the Parties shall submit the dispute to binding arbitration before a single arbitrator in accordance with the provisions of Section XXIII (B) of the Compact as amended herein (para. 11, below). The decision of the arbitrator shall be in writing, giving the reason for the decision, and shall be binding on the Parties. The decision of the arbitrator shall be limited to increasing the fee to no more than ten percent (10%) of the Nation's "net win" and to reducing the fee to no less than two percent (2%) of the Nation's "net win." Net win shall mean the total amount wagered on Class III games less fills, and minus the amount paid out in jackpots and prizes, including the actual cost of non-monetary prizes, which shall mean any personal property distributed to a patron as the result of a specific legitimate wager, before the deduction of costs and expenses.

In addition, within thirty (30) days preceding each fifth (5th) annual anniversary of June 11, 2004, the State or the Nation may propose amendments to the Compact to enhance the regulation of gaming under the Compact. The Nation and the State shall enter into good faith negotiations regarding the proposed amendments. Disputes over the obligation to negotiate in good faith under this Section may be resolved by binding arbitration as provided for in Paragraph 11 of this Second Amendment.

Furthermore, within the thirty (30) days preceding each twenty-fifth (25th) annual anniversary of June 11, 2004, the State, by the Governor as directed by an enactment of a session law by the Wisconsin Legislature, or the Nation may propose amendments to any provision of the Compact, as amended herein. The Nation and the State shall enter into good faith negotiations regarding the proposed amendments. Disputes over the obligation to negotiate in good faith under this Section may be resolved by binding arbitration as provided for in Paragraph 11 of this Second Amendment."

11. Section XXIII (Dispute Resolution) and Section XXIV (Sovereign Immunity: Compact Enforcement) of the Compact shall be amended by deleting both Sections in their entirety and by substituting in their place the following paragraphs:

Section XXIII. DISPUTE RESOLUTION.

If any dispute arises between the Parties regarding the interpretation or enforcement of the Compact, Amendment and this Second Amendment, except as otherwise provided in this Second Amendment, that dispute ("Dispute") shall be resolved in accordance with the following procedure:

- A. Meet and Confer. Any Party may serve a written notice of violation on the other Party setting forth the nature of the violation and a proposed remedy. If the Party upon whom the notice is served has not implemented the proposed remedy within three (3) business days from the date of service, the Parties shall meet and confer within three (3) business days from the

date of expiration of the first notice, for a reasonable period of time not to exceed ten (10) days, unless the Parties agree prior to the expiration of the ten (10) day period that they have reached impasse. The Parties shall meet at a time and location mutually agreed to, or if the Parties cannot agree, then in the City of Madison, if the State serves the notice, or at Black River Falls if the Nation serves the notice, beginning at 10:00 a.m.

- B. Binding Arbitration. If the Parties do not resolve the dispute to their mutual satisfaction through the meet and confer process set forth above, either Party may serve a demand for arbitration on the other Party. In that event, the Parties shall resolve the Dispute by binding arbitration. Within five (5) business days from the date of receipt of the demand by the other Party, the Parties shall meet to select an arbitrator from the list of arbitrators attached hereto as Exhibit A. The Parties shall appoint arbitrators to the list that do not possess a conflict of interest or are not biased in favor of either Party and who are qualified. Each Party shall have the right to remove any arbitrator(s) appointed to the list. In the event that an arbitrator(s) is removed from the list, a substituted arbitrator shall be appointed. The arbitrators shall have experience in gaming and federal Indian law. Exhibit A shall be prepared by each Party providing the other with the names, addresses and telephone numbers of five arbitrators. Within thirty (30) days from the execution of this Second Amendment by the Parties, the Parties shall provide each other with the names, addresses, and telephone numbers of their arbitrators which shall be inserted into Exhibit A. The Parties shall have the right to update the arbitrator list from time to time, as is necessary by providing the other Party with written notice of the names of the replacement arbitrators. If the Parties cannot agree to an arbitrator, each Party shall select an arbitrator and the two arbitrators shall select a single arbitrator from the list, who shall conduct the arbitration. The arbitration shall be conducted in accordance with the Federal Rules of Civil Procedure and Evidence. Within thirty (30) days from the date the arbitrator is appointed, the arbitrator shall hold a scheduling conference at which the arbitrator shall establish a date for the filing of pre-hearing motions, completion of discovery and for conducting a hearing on the matter. The schedule shall provide that the arbitration process shall be completed within 180 days from the date of the arbitrator's order establishing the schedule, unless the Parties agree otherwise. Each Party shall pay for one half (½) of the cost of the arbitration. The Parties shall be bound by any award entered by the arbitrator. The arbitrator shall have the authority to provide such relief and issue such orders as are authorized by the Federal Rules of Civil Procedure. Any action to compel arbitration, determine whether an issue is arbitrable or to confirm an award entered by the arbitrator shall be brought in the United States District Court for the Western District of

Wisconsin under the Federal Arbitration Act, 9 U.S.C. Sections 1, et seq.

- C. Temporary Injunctive Relief. In addition to the binding arbitration provisions provided for in Section XXIII (B) above, both the State and Nation agree that suit to enforce any provision of this Compact may be brought directly in the United States District Court for the Western District of Wisconsin by either the State or the Nation, without exhausting the requirements of Section XXIII (A) and (B) above, against any official or employee of either the State or the Nation for a temporary or preliminary injunction to prevent immediate irreparable harm within the meaning of the Federal Rules of Civil Procedure, other than money damages, for the sole purpose of maintaining the status quo of the Parties, as it existed prior to the alleged violation, until such time as the provisions of Section XXIII (A) and (B) above can be completed. Relief in said suit shall be limited to prospective declaratory or injunctive relief. An allegation that an official or employee violated this Compact shall be deemed an allegation that said official or employee is acting in excess of his/her authority for purposes of jurisdiction only. The State and the Nation shall each bear their own costs of litigation for any action brought under this Section XXIII (C), including but not limited to, attorneys' fees.

Section XXIV. SOVEREIGN IMMUNITY

- A. Unless the Parties agree otherwise, if a dispute arises regarding compliance with or the proper interpretation of the requirements of the Compact, as amended, under Sections IV (Authorized Class III Gaming), XXIII (Dispute Resolution), XXIV (Sovereign Immunity), XXXIV (Payment to the State), and XXV (Reimbursement of State Costs), the dispute shall be resolved by the United States District Court for the Western District of Wisconsin.
- B. Nothing contained herein shall be construed to waive the immunity of the State or the Nation except for suits arising under Sections XXIII and XXIV of this Compact, as amended. The Nation and the State expressly waive, to the extent the State or the Tribe may do so pursuant to law, any and all sovereign immunity with respect to any claim brought by the State or the Nation to enforce any provision of this Compact, as amended. This waiver includes suits to collect money due to either Party pursuant to the terms of the Compact, as amended; to obtain an order to specifically enforce the terms of any provisions of the Compact, as amended; or to obtain a declaratory judgment and/or to enjoin any act or conduct in violation of this Compact, as amended. This waiver also includes a suit to enforce Section XXIII of this Compact as amended. This waiver also includes a suit under Section XXIV by either Party to restrain actions by the officials of either Party that are in excess of their authority under the

Compact, as amended. This waiver does not extend to other claims brought to enforce other obligations that do not arise under the Compact, as amended, or to claims brought by parties other than the State and the Nation.

- C. In granting the waiver of immunity provided above, the Parties expressly waive any requirement that either Party exhaust any administrative remedies, in accordance with applicable law including but not limited to any remedies provided by Sections 16.007 and 775.01 of the Wisconsin Statutes, as a precondition to initiating any dispute resolution provisions contained in this Compact, as amended. In addition, each Party agrees not to assert any immunity provided by law that either Party possesses, as a defense to the assertion of jurisdiction by the United States District Court for the Western District of Wisconsin or in any arbitration proceeding set forth in this Second Amendment.
- D. The enforcement provisions set forth in Sections XXIII and XXIV are an essential part of this Compact, as amended, and if they are found unenforceable against the Nation or the State, the Parties will immediately resume negotiations in accordance with the procedures set forth in Section XXIII of the Compact, as amended herein, to create a new enforcement mechanism.
- E. In the event that the Nation is unable to obtain a judicial resolution, under any procedures provided for by law including the procedures set out in Sections 16.007 and 775.01 of the Wisconsin Statutes, of a dispute regarding an obligation by the State to make payments to the Nation pursuant to the terms of this Compact, as amended due to the immunity of the State from suit, then the waiver of immunity granted by the Nation to allow suits for money owing to the State by the Nation pursuant to the terms of this Compact, as amended shall be automatically revoked, void, and of no effect. The foregoing provisions of this Section or subsection shall not apply and any waiver of immunity which has been nullified shall be reinstated, if the State Legislature of Wisconsin, through the passage of legislation, ratifies the State's waiver of sovereign immunity in paragraph 11 of this Second Amendment or otherwise waives the State's sovereign immunity for judicial enforcement of the obligation of the State to make payments to the Nation pursuant to the terms of this Compact, as amended.
- F. In the event that it is necessary for either Party to seek any remedy pertaining to arbitration as provided in Section XXIII(B) and/or declaratory and/or injunctive relief pursuant to Section XXIII(C), and the Party is unable to obtain the judicial remedy because the other Party is immune from suit, then any waiver of immunity authorizing suit pursuant

to Paragraph 11 of this Second Amendment, granted by the party seeking relief shall be automatically revoked, void and of no effect. The foregoing provisions of this subsection (F) shall not apply, and any waiver of immunity which has been nullified shall be reinstated, if the State Legislature, through passage of legislation, ratifies the waiver of the State's sovereign immunity in Section XXIV, or waives the State's sovereign immunity for judicial resolution of disputes pursuant to Section XXIII(B).

12. Paragraph 6(A) of the Amendment shall be amended by deleting the paragraph in its entirety and by substituting in its place the following: The Nation shall make annual payments to the State for each one (1) year period beginning June 30, 2004 as follows: for the period July 1, 2003 through June 30, 2004, the Nation shall pay the State \$30,000,000. For the period July 1, 2004 to June 30, 2005, the Nation shall pay to the State \$30,000,000. For the period July 1, 2005 to June 30, 2006, the Nation shall pay the State 8% of net win. For the period July 1, 2006 to June 30, 2007, the Nation shall pay the State 7% of net win. For the period July 1, 2007 to June 30, 2008, the Nation shall pay the State 7% of net win. For the period July 1, 2008 to June 30, 2009, the Nation shall pay the State 6% of net win. For the period July 1, 2009 to June 30, 2010, the Nation shall pay the State 6% of net win. For the period beginning on June 30, 2010 and continuing in perpetuity, the Nation shall pay to the State 6% of net win unless either of the Parties requests renegotiations as provided under Paragraph 10 above. The payment required under this Paragraph shall be made by the Nation on or before June 30th of each year beginning with the first payment being due on or before June 30, 2004. As used herein the term "net win" shall have the same meaning as defined in Paragraph 10 above. One half of any payments made by the Nation to the City of Madison and/or the County of Dane pursuant to any agreement entered into between the Nation and the City and/or County after the effective date of this Second Amendment shall be paid from monies that the Nation would otherwise pay to the State under this Second Amendment. Specifically, the payments made by the Nation to the State pursuant to this paragraph shall be reduced by fifty per cent (50%) of the amount paid by the Nation to the City of Madison and/or the County of Dane relative to the DeJope facility in the years 2006 and thereafter, provided however that the reduction shall not exceed a total of Three Million Dollars (\$3,000,000) in the years 2006 and 2007, and shall not exceed Four Million Dollars for the year 2008 and every year thereafter for as long as the Nation makes such payments to the City and/or County.

Commencing with the fifth (Year 2007) annual payment that the Nation is required to make to the State under this Compact or Second Amendment and continuing thereafter for as long as the Nation is required to pay a fee to the State under the Compact and this Second Amendment, the Nation shall deduct from its annual payment to the State made pursuant to this Paragraph 12, One Thousand Dollars (\$1,000.00) paid to each county for every acre of land owned by the United States of America in trust for the Nation as of the effective date of this Compact and Second Amendment which is located within the

county's jurisdiction. The payment made by the Nation to the county(s) under this Paragraph, may be expended by each county for any purpose as determined by each county in its sole discretion, except that the county cannot use any of the funds paid to it under this Paragraph that would diminish the Nation's governmental jurisdiction or have an adverse financial impact on the Nation ("Prohibited Purpose"). If the county uses the funds paid to it by the Nation for a Prohibited Purpose, the Nation shall cease making payments to said county and shall instead pay said county's payment to the State.

13. Paragraph 6 (B) of the Amendment shall be modified by deleting the words "these amounts" at the end of the sentence in the Paragraph and substituting the words: "any amounts required to be paid to the State under this Compact and the State shall refund to the Nation the amount paid to the State by the Nation under the first and second years of this Amendment." In addition, Paragraph 6 (B) of the Amendment shall be modified by inserting the following sentence at the end of the Paragraph: "If the State authorizes any person, organization or entity to conduct, play or participate in any Class III game, as defined by the IGRA, other than those games authorized under a Tribal-State Class III Gaming Compact approved by the Secretary of the Interior as defined by the IGRA, or any games conducted by the Wisconsin State Lottery, any charitable games authorized by Wisconsin law on or before January 1, 2003, or any pari-mutual wagering at a facility whose owners were licensed by the State prior to January 1, 2003, within a Sixty-Five (65) mile radius of any facility that the Nation is authorized to conduct gaming at under this Second Amendment, the Nation shall be relieved of its obligations to pay any amounts required to be paid to the State under this Compact and the State shall refund to the Nation the amount paid to the State by the Nation under the first and second years of this Second Amendment.
14. Paragraph 6 (c) of the Amendment shall be deleted in its entirety.
15. Paragraph 8 of the Amendment shall be modified by deleting it in its entirety and substituting in its place the following subparagraphs A, B, and C:
 - A. In the event that Paragraph 7 (Duration) of this Second Amendment is disapproved, in whole or in part, by the Secretary of the Interior or is found unenforceable or invalid by a court of competent jurisdiction, the State shall refund the amounts paid by the Nation to the State in the first two years under Paragraph 12 of this Second Amendment. In addition, the Nation shall not be required to make any further payments under Paragraph 12 of this Second Amendment, and the Parties shall negotiate in good faith to reach agreement on substitute provisions for Paragraphs 7 and 12. If a mutually satisfactory solution is not achieved within sixty (60) days of the Secretary's action or the court's decision, the Parties shall resolve the dispute pursuant to Paragraph 11 of this Second Amendment.
 - B. In the event that any portion of this Second Amendment, other than Paragraph 7,

is disapproved, in whole or in part, by the Secretary of the Interior or is found by a court of competent jurisdiction to be unenforceable or invalid, either Party may serve on the other a demand for renegotiation of such portions of this Second Amendment as are determined to be invalid or unenforceable and the Parties shall negotiate in good faith to reach agreement on substitute provisions.

- C. If either Paragraph 2 (Scope of Games) or Paragraph 12 (Payment to the State) of this Second Amendment, is disapproved, in whole or in part, by the Secretary of the Interior or are found by a court of competent jurisdiction to be unenforceable or invalid, the Parties shall negotiate in good faith to reach agreement on substitute provisions. If a mutually satisfactory solution is not achieved within sixty (60) days of the Secretary's action or the court's decision, the Parties shall resolve the dispute pursuant to Paragraph 11 of this Second Amendment.

16. Paragraph 9 of the Amendment shall be modified by deleting it in its entirety and substituting in its place the following Paragraph:

If another federally-recognized Indian tribe submits an application to the Secretary of the Interior, under 25 U.S.C. §2719(b)(1)(A), for a determination that a proposed gaming establishment on off-reservation trust lands acquired by the United States after January 1, 2003, is in the best interest of that tribe and its members, and not detrimental to the surrounding community, the State will not concur in any positive determination made by the Secretary of the Interior where the Ho-Chunk Nation has notified the State that the operation of the proposed gaming establishment will cause a substantial reduction of Class III gaming revenues at any of the Nation's existing gaming facilities, unless that other tribe has entered into a binding indemnification agreement with the Nation to compensate it for the loss of revenue, if any, it will incur as a result of the other tribe engaging in gaming activities at the off-Reservation site. The agreement between the Nation and the other tribe must provide that if the parties cannot reach agreement on whether the operation of the proposed gaming establishment will cause a substantial reduction of Class III gaming revenues at any of the Nation's existing gaming facilities or on the amount of compensation to be paid to the Nation, the matter will be resolved through binding arbitration to be conducted under the AAA's commercial rules, or by an arbitrator under such rules as are mutually agreed to by the parties. The parties shall be bound by the arbitrator's decision which shall be enforceable in any federal or state court of competent jurisdiction, and the parties to the arbitration shall expressly agree to waive exhaustion of any administrative and tribal court remedy as a precondition or defense to the arbitration and any court judgment confirming any award entered by the arbitrator under this Paragraph. At any time, but not more frequently than once every twelve (12) months, either Party may request renegotiation of any payment established pursuant to this Paragraph. Such renegotiation shall be subject to the negotiation, arbitration and enforcement provisions of this Paragraph. If the State concurs in the Secretarial two-part determination under 25 U.S.C. §2719(b)(1)(A) without a binding indemnification agreement between the Nation and the other tribe, as provided by this Paragraph the

Nation shall be relieved of its obligation to make payments to the State pursuant to Paragraph 12 of this Second Amendment, unless the Nation refuses to negotiate such a binding indemnification agreement with the other tribe.

17. Paragraph 10 and 12 of the Amendment shall be amended by deleting them in their entirety and substituting in place of Paragraph 12 the following paragraph: Out of the revenues that the Nation pays to the State under Paragraph 6 (A) above, the State shall either, at its option, (1) include in its budget, or budgets for the fiscal years 2003 through 2010 the cost of constructing or providing the public work projects or governmental services listed in the attachment entitled "Government Projects" which is hereby incorporated by this reference and attached hereto as Exhibit B or (2) have the Nation pay for the cost of constructing the project(s) or providing the service(s) listed in Exhibit B. In the event that the State elects to have the Nation pay for all or a portion of the projects and/or services listed in Exhibit B, the Nation's payment to the State under Paragraph 12 above shall be reduced by the amount expended by the Nation to fund the project(s) and/or service(s) listed in Exhibit B. The amount expended by the Nation to fund said project(s)/service(s) shall be credited against the Nation's payment to the State in the same year in which the Nation paid for the project(s)/service(s). Within thirty (30) days from the execution of this Second Amendment, the State shall submit to the Nation a plan setting forth how, on or before December 31, 2010, it will budget, fund and pay for all of the project(s)/service(s) listed in Exhibit B.
18. Section XXXI of the Compact shall be amended by deleting the first sentence of the Section in its entirety and substituting in its place the following: "The Nation and the State intend that each will have vested rights and obligations, and that the terms will be binding on the Nation and the State, upon the signature by the President of the Nation and the Governor of Wisconsin." The Nation and the State intend that this Second Amendment will be construed to have been entered into and amended on the date set forth in the Preamble to this Second Amendment and that the terms hereof shall be binding on the Nation and on the State on that date despite the later effective date determined by the approval of the Secretary of the Interior, pursuant to 25 U.S.C. Section 2710 (d)(3)(B)."
19. Paragraph 12 of the Amendment shall be amended by adding the following sentences at the end of the Paragraph: "The Parties agree that the Nation shall report information from its slot accounting systems to the Data Collection System ("DCS") maintained by the State, utilizing the hardware, software and reporting formats for the specified information in use on the date of this Second Amendment. The Parties acknowledge that participation in the DCS satisfies the obligations of the Nation contained in paragraph 2 of the Memorandum of Understanding Regarding Technical Matters, dated December 11, 1998. The Parties shall meet and confer in accordance with Section XXIII (A) of the Compact regarding any proposed modifications to the hardware, software and reporting formats utilized by the DCS which affects the manner in which the Nation reports the information. Any amendments or modifications proposed by either Party shall be

implemented by the other Party, unless the other Party objects to the modification pursuant to the procedures contained in Section XXIII of the Compact. The arbitrators shall approve the proposed modification if it is determined to be reasonably necessary to allow the State to maintain electronic monitoring of the specified information or shall reject the modification if it is determined to be unreasonably burdensome on the Nation. In addition, the Nation shall submit to the Department of Administration, Division of Gaming, in an electronic format maintained by the Nation, the following daily revenue information for table games: (1) Type of table game; (2) Table number; (3) Shift; (4) Opening Inventory; (5) Fills; (6) Credits; (7) Adjustments; (8) Closing Inventory; (9) Drop, and (10) Win/(loss). This information shall be submitted no later than fourteen (14) days after the conclusion of the previous month.”

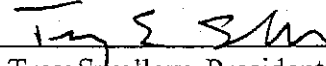
20. If any of the provisions of this Second Amendment conflict with the provisions of the Compact or the Amendment, the provisions of this Second Amendment shall control. Except to the extent modified by this Second Amendment, the provisions of the Compact and the Amendment shall remain in full force and effect.

Executed on the day and year first written above in Madison, Wisconsin.

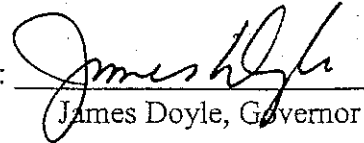
HO-CHUNK NATION

STATE OF WISCONSIN

By:


Troy Swallow, President

By:


James Doyle, Governor

Consistent with 25 U.S.C.A. Sec. 2710 (d)(8), the Second Amendment to the Wisconsin Winnebago Tribe, now known as the Ho-Chunk Nation, Gaming Compact, dated April 25, 2003, is hereby approved on this _____ day of _____, 2003, by the Assistant Secretary - Indian Affairs, United States Department of the Interior.

UNITED STATES DEPARTMENT OF THE INTERIOR

Exhibit A

LIST OF ARBITRATORS

EXHIBIT B

GOVERNMENT PROJECTS

1. Ho-Chunk Nation fee payments received by the State shall be credited and rebated to the Ho-Chunk Nation for any Waste Water Facility Cost shares with another municipality entered into by an Intergovernmental Agreement.
2. Ho-Chunk Nation fee payments for any Wisconsin Department of Transportation upgrades, construction and maintenance shall be credited and rebated to the Ho-Chunk Nation for any cost shares with another municipality entered into by an Intergovernmental Agreement.
3. Ho-Chunk Nation fee payments for any basic Municipal Services offered to the Ho-Chunk Nation shall be credited and rebated to the Ho-Chunk Nation.
4. The State shall provide access and right-of-way to Ho-Chunk Nation trust and heirship lands through adjacent or contiguous properties known as the Joe Wolf, Swallow, Hopinka parcels located in Jackson County, Wisconsin.
5. A portion of the Ho-Chunk Nation Gaming Fee payments shall be provided to essential positive public programs such as Wisconsin Judi-care and public housing assistance grants.
6. From Ho-Chunk Nation Gaming Fee payments, based on the cooperative Memorandum of Understanding Concerning Badger Army Ammunition Plant by and between the State and the Ho-Chunk Nation from the 1998 Compact Amendment, the State shall commit a grant to the Ho-Chunk Nation Badger Army Ammunition Plant environmental restoration plan.
7. From Ho-Chunk Nation Gaming Fee payments, based on the cooperative Agreement By and Between the State and the Ho-Chunk Nation, the State shall commit a grant to the Ho-Chunk Nation Kickapoo Reserve environmental restoration plan to match the State of Wisconsin Kickapoo Reserve Management Board (KRMB) grant.
8. From Ho-Chunk Nation Gaming Fee payments, the State shall provide the Ho-Chunk Nation Department of Health and Social Services a grant for the creation of a Community Based Residential Facility Program and a Tribal Government Day Care Program cooperatively with the existing State Programs.
9. From Ho-Chunk Nation Gaming Fee payments, the State shall provide a grant for the purchase and maintenance of needed medical equipment by tribal and non-tribal

communities consisting of the following: breast cancer diagnosis equipment, diabetes dialysis, cancer research, chemotherapy, and administrative support for services at Indian Health Centers provided to non-tribal communities.

10. From Ho-Chunk Nation Gaming Fee payments, the State shall provide a grant for local law enforcement to tribal and non-tribally shared communities such as towns and villages, in addition to County Tribal Law Enforcement Grants.
11. From Ho-Chunk Nation Gaming Fee payments, the State shall provide a grant to the State Department of Commerce exclusively for Business and Enterprise Development for Wisconsin