

**THIRD AMENDMENT  
TO THE  
SOKAOGON CHIPPEWA COMMUNITY  
AND THE  
STATE OF WISCONSIN GAMING COMPACT OF 1991**

This agreement to amend (“Third Amendment”) the Sokaogon Chippewa Community and the State of Wisconsin Gaming Compact of 1991 (“Compact”) is entered into by the SOKAOGON CHIPPEWA COMMUNITY (“Tribe”) and the STATE OF WISCONSIN (“State”) (the Tribe and the State are each a “Party” and collectively the “Parties”) as of the last signature date below.

WHEREAS, in 1991, the Tribe and the State entered into the Compact; and

WHEREAS, on February 20, 1998, the Parties executed an agreement amending the Compact; and

WHEREAS, on April 24, 2003, the Parties executed a second agreement amending the Compact; and

WHEREAS, the Parties wish to amend the Compact to permit the Tribe to engage in event wagering and to make various technical amendments to update and correct certain provisions of the Compact;

THEREFORE, the State and the Tribe do hereby agree to amend the Compact as set forth below.

**1. Amendments to wording throughout the Compact:**

- a. The word “employee” is deleted and replaced with “employeee” throughout the Compact.
- b. The word “employes” is deleted and replaced with “employees” throughout the Compact.
- c. The phrase “Lottery Board” is deleted and replaced with “Department” throughout the Compact.

**2. Section III, Definitions, is amended as follows:**

- a. New Section B is created and states:

“Department” means the State of Wisconsin Department of Administration, or any successor State regulatory agency, and the Department or successor agency’s authorized officials, agents, and representatives.

b. Existing subsection B, defining “Department of Justice”, is re-lettered as subsection C.

c. Existing subsection C, defining “Lottery Board,” is deleted.

d. Existing subsection E, defining “Person”, is amended as follows:

i. a comma is inserted after “associations”; and

ii. the phrase “limited liability companies or their equivalents,” is inserted after the above new comma and before “and corporations”.

e. New subsection G is created and states:

“State Fiscal Year” means the period beginning July 1 of a given year and ending June 30 of the following year.

f. New subsection H is created and states:

“Tribal Fiscal Year” means the period beginning October 1 of a given year and ending September 30 of the following year, or such other time period as the Tribe and the State mutually agree in writing.

g. Existing subsections G through K are re-lettered as subsections I through M.

**3. Section IV, Authorized Class III Gaming, is amended as follows:**

a. New paragraph A.8. is created and states:

Event Wagering; “Event Wagering” means accepting wagers on the outcomes of, and occurrences within, sports and non-sports games, competitions, and matches, but shall not include pari-mutuel wagering on horse, harness, and dog-racing events; and

b. Existing paragraph A.8. is renumbered as paragraph A.9.

c. Existing paragraph A.9. is renumbered as paragraph A.10. and is amended as follows:

- i. "8" is deleted and replaced with "9"; and
- ii. "XXXVII" is deleted and replaced with "XXXVIII".

**4. Section V, Conduct of Games; Generally, is amended as follows:**

a. The text of subsection D is deleted in its entirety and replaced with the following:

Except as herein provided, no person shall be extended credit or receive an advance of funds for gaming by any tribal gaming facility, nor shall the Tribe permit any other person to offer such credit or advance for a fee. This subsection shall not restrict the right of the Tribe to install third-party automated teller machines or accept bank card or credit card transactions in the same manner as would normally be permitted at any retail business within the state. This subsection shall not prohibit the use of wagering accounts pursuant to the terms of this Compact or the Tribe's minimum internal control standards, where such wagering accounts do not extend credit or advance funds to the account holder.

b. Subparagraph G.1.c. is deleted in its entirety and replaced with the following:

Placing a wager after acquiring knowledge not available to all players, or aiding a third person in acquiring such knowledge for purposes of placing a wager, regarding the potential outcome of the Class III game on which the wager is placed.

**5. Section VII, Gaming Related Contractor; Contractor to Hold State Certificate, of the Compact is amended as follows:**

a. New paragraph A.7. is created and states:

Contracts for event wagering goods or services, including but not limited to event wagering systems, event wagering risk management services, betting line services, integrity providers, and hardware and software used for purposes of placing event wagers.

- b. New paragraph A.8. is created and states:

Contracts for geolocation, geotracking, or geofencing services for purposes of tracking the location of customers using remote wagering devices.

- c. Subsection B is amended as follows:

- i. the word "\$25,000" is deleted and replaced with "\$100,000"; and
- ii. The second and third sentences of the subsection, beginning with "If the total . . ." and ending with ". . . Section VII. shall apply." are deleted in their entirety.

- d. In subsection C, the word "\$10,000" is deleted and replaced with "\$100,000".

- e. New subdivision D.1.f.(4) is created and states:

A limited liability company or its equivalent (collectively "LLC"), then subdiv. a. applies to the LLC and each member and manager of the LLC or their equivalents.

- f. Existing subdivision D.1.g. is deleted and replaced with the following:

The restrictions under subdiv. a. do not apply to the partnership, association, LLC, or corporation if the Department determines that the partnership, association, LLC, or corporation has terminated its relationship with the partner, officer, director, member, manager, or owner who was convicted or entered the plea or with the partner, officer, director, member, manager, owner or other individual whose actions directly contributed to the partnership's, association's, LLC's, or corporation's conviction or entry of plea.

- g. Subsection H, titled "Transitional Provision", is deleted in its entirety.

**6. Section X, Records, is amended as follows:**

- a. The following text is added to the end of paragraph B.1.:

The Tribe's minimum internal control standards and rules of play are not confidential gaming records, except portions of the Tribe's minimum internal control standards may remain confidential to the extent necessary to ensure the

integrity of games and to prevent the circumvention of security measures.

**7. Section XII, Audits, is amended as follows:**

- a. In subsection A:
  - i. The phrase “(commencing with the current tribal fiscal year)” is deleted.
  - ii. The phrase “fiscal year” is replaced with “Tribal Fiscal Year” throughout.
- b. In subsection B, the phrase “tribal fiscal year” is deleted and replaced with “Tribal Fiscal Year”.
- c. In paragraph C.1.:
  - i. ““Accounting and Audit Guide - - Casinos”” is deleted and replaced with ““Gaming Audit and Accounting Guide””, and
  - ii. “Public” is deleted and replaced with “Professional”.

**8. Section XIV, Public Health and Safety, is amended as follows:**

- a. In subsection A, all of the text beginning with “chs. ILHR 14 . . .” and ending with “. . . 81-86 (Plumbing),” is deleted and replaced with:

chs. SPS 314 (Fire Prevention), 316 (Electrical), 328 (Smoke Detectors and Carbon Monoxide Detectors), 366 (Existing Buildings), 377 (Theatres and Assembly Halls), and 381-387 (Plumbing),
- b. Subsection C is deleted in its entirety.

**9. Section XV, Electronic Games of Chance, is amended as follows:**

- a. In existing paragraph D.17.b., the phrase “Executive Director of the Lottery Board” is deleted and replaced with “Department”.
- b. In subparagraph G.1.c., the phrase “or Exhibit B to this Compact.” is deleted, so that the provision now ends with “. . . under par. C.”.

**10. New Section XVIII, Event Wagering, is created and states:**

**XVIII. EVENT WAGERING.**

- A. The Tribe shall adopt minimum internal control standards and rules of play governing event wagering which shall be approved by the Department as provided in this Compact. Rules of play for event wagering shall be publicly posted and a copy shall be made readily available to players upon request.
- B. Event wagers placed using remote wagering devices shall be placed only from locations permitted by the Tribe's minimum internal control standards governing event wagering.
- C. Event wagers shall be placed only on permitted events as set forth in the Tribe's minimum internal control standards governing event wagering.
- D. The Tribe shall engage the services of an integrity provider approved by the Department, which approval shall not be unreasonably withheld. For purposes of this subsection, an "integrity provider" means a third-party service that provides information regarding potential fraud, improper manipulation, misuse of insider information, and other improper conduct regarding event.
- E. If the scope of permissible event wagering in the state is expanded in any of the manners set forth below, then, upon written notice by the Tribe to the Department, the Tribe's minimum internal control standards shall be deemed to include such expansion of scope and promptly thereafter the Tribe and the State shall negotiate in good faith to amend the Tribe's minimum internal control standards to reflect the change:
  - 1. The State legalizes event wagering on an event or events not included as permitted events in the Tribe's minimum internal control standards.
  - 2. The State legalizes event wagering which allows a customer located outside of land owned by a Wisconsin Indian Tribe or held in trust by the federal government for the benefit of a Wisconsin Indian Tribe to place an event wager through the use of a remote wagering device.

3. The State enters a Tribal-State gaming compact or gaming compact amendment with another Wisconsin Indian Tribe, or agrees to minimum internal control standards with another Wisconsin Indian Tribe, which allow event wagering on an event or events not included as permitted events in the Tribe's minimum internal control standards, or the Secretary of the United States Department of the Interior prescribes procedures for another Wisconsin Indian Tribe pursuant to section 11((d)(7)(B)(vii) of the Act which allow event wagering on an event or events not included as permitted events in the Tribe's minimum internal control standards.
  4. The State enters a Tribal-State gaming compact or gaming compact amendment with another Wisconsin Indian Tribe, or agrees to minimum internal control standards with another Wisconsin Indian Tribe, which allow event wagering through the use of remote wagering devices under terms more favorable than those set forth in the Tribe's minimum internal control standards, including but not limited to permitted locations, or if the Secretary of the United States Department of the Interior prescribes procedures for another Wisconsin Indian Tribe pursuant to section 11((d)(7)(B)(vii) of the Act which allow event wagering through the use of remote wagering devices under terms more favorable than those set forth in the Tribe's minimum internal control standards, including but not limited to permitted locations.
  5. The State enters a Tribal-State gaming compact or compact amendment with another Wisconsin Indian Tribe, or enters an agreement with another Wisconsin Indian Tribe, or agrees to minimum internal control standards with another Wisconsin Indian Tribe, which provide for a different procedure or procedures than set forth in the Tribe's minimum internal control standards for adding permitted events for event wagering.
- F. Promptly, but no later than ten (10) business days after entering a Tribal-State compact or compact amendment with another Wisconsin Indian Tribe, or entering an agreement with another Wisconsin Indian Tribe, or agreeing to minimum internal control standards with another Wisconsin Indian Tribe, which address permitted events for event wagering and/or permitted locations for remote wagering and/or procedures for adding permitted events for event wagering, the State shall provide written notice to the Tribe together with a copy of such compact, compact amendment, agreement, and/or minimum internal

control standards.

Both the Tribe and the State have legitimate interests in protecting the integrity of events subject to event wagering.

**11. Existing Sections XVIII through XXXIII are renumbered as Sections XIX through XXXIV and all cross-references to these Sections and their subparts in the Compact are renumbered to conform with this renumbering.**

**12. Existing Section XXIV (now renumbered as Section XXV), Reimbursement of State Costs, is amended as follows:**

- a. Subsection A is deleted in its entirety; and
- b. Existing subsections B through D are re-lettered as subsections A through C.

**13. Existing Section XXX (now renumbered as Section XXXI), Notices, is amended as follows:**

- a. The Tribe shall also send by email to DOAGaming@wisconsin.gov a copy of all notices it serves on the Governor, or such other email or mailing address as the Department may specify.

**14. Existing Section XXXIV, which is currently untitled, is deleted and replaced with existing Section XXXIII, Additional Benefits to the Tribe, which is being renumbered as Section XXXIV pursuant to paragraph 11 above.**

**15. Existing Section XXXVII, Minimum Internal Control Standards, is amended as follows:**

- a. Subsections A through D are deleted and replaced with the following:
  - A. Minimum Internal Control Standards. The Tribe shall at all times maintain minimum internal control standards (“MICS”) that, at a minimum, cover all subjects addressed in the MICS established by the National Indian Gaming Commission (“NIGC”) and meet or exceed the requirements set forth in the NIGC MICS. The State and the Tribe agree that as of the effective date of the Third Amendment to this Compact the Tribe’s MICS in effect and approved by the Department satisfy this requirement.



B. Rules of Play. As a component of its MICS, the Tribe shall at all times maintain rules of play governing all Class III games offered at its facilities. The rules of play shall ensure the fairness of play of each game and shall meet or exceed industry standards and practices. The State and the Tribe agree that as of the effective date of the Third Amendment to this Compact the Tribe's rules of play in effect and approved by the Department satisfy this requirement.

C. Amendments. Either Party may propose an amendment to the MICS (including rules of play), including new areas to be subject to the MICS, at any time, according to the procedures set forth below.

1. For amendments to MICS not directly related to event wagering or remote wagering, the Party proposing the amendment shall submit a copy to the receiving Party. Within thirty (30) days of receipt of such amendment, the receiving Party shall submit any objection it may have to such amendment by serving a written notice of objection on the proposing Party. The notice of objection shall state with specificity the reasons therefor. All objections must be based on the amendment not adequately ensuring:

- a. the fairness of the playing of the game ("Game") that the MICS seeks to regulate;
- b. that revenue generated from the playing of the Game is adequately counted and accounted for in accordance with Generally Accepted Accounting Principles for casinos; and
- c. a system of internal controls consistent with industry standards and practices.

Within thirty (30) days of submission of any objection, the Parties shall meet in an attempt to resolve the objection. If the objection is not resolved within twenty (20) days of such meeting, the Tribe or the Division may serve upon the other a demand for binding arbitration pursuant to paragraph 3 below. The Tribe may continue to utilize any amended MICS subject to objection by the Department while the procedures set forth in paragraph 3 below are completed.

2. Amendments to MICS directly related to event wagering or remote wagering shall be made only by mutual agreement of

the Parties. The Party proposing the amendment shall submit a copy to the receiving Party. The Parties shall enter into good faith negotiations regarding such proposed amendments within thirty (30) days of the receiving Party's receipt of the proposed amendments, except that the State shall have no obligation to negotiate regarding proposed amendments to MICS governing events occurring in Wisconsin or involving Wisconsin teams that do not occur on land owned by the Tribe or held in trust for the Tribe by the federal government. Disputes regarding the obligation to negotiate in good faith under this provision shall be resolved under the provisions of Section XXIII (Dispute Resolution).

3. Arbitration shall be conducted in Madison, Wisconsin at a location approved by the arbitrators. The panel shall consist of three members, one of whom shall be a certified public accountant and one of whom shall be experienced in the regulation of gaming, which criteria may be met by substantial experience with regulatory compliance issues while employed by a regulated entity. Of the three arbitrators, one will be chosen by the Tribe, one chosen by the Department, and the third chosen by the two panel members. No person who has performed services, or whose firm has performed services, for either the Department or the Tribe's gaming facility in the preceding year, may serve on the panel.
4. Except as provided within this Section XXXVII, the arbitrators shall conduct the arbitration in accordance with the provisions of Section XXIII.E., above. To the extent practicable, the parties shall stipulate to all facts not reasonably in dispute. At the request of either Party, the panel may take testimony from witnesses if it feels that such procedures are necessary for an informed resolution of the controversy. The formal rules of evidence shall not apply to witness testimony, and the panel shall determine the permissible scope and extent of any proffered testimony, but the panel shall observe basic principles of relevancy, materiality and probative value. At a time determined by the panel after the factual record is finalized, each Party shall simultaneously submit a written statement in support of its position. Upon mutual agreement of the Parties, any and all proceedings may be conducted telephonically. The panel shall decide the matter within thirty (30) days of receipt of the testimony and written submissions. The decision of the panel shall be final and non-appealable. The Parties shall equally share the cost of the panel and meeting facilities, if any, and

bear its own cost of the proceedings.

- b. Existing subsection E is deleted and all of its text is moved to new Section XXXVIII as described in paragraph 16 below.

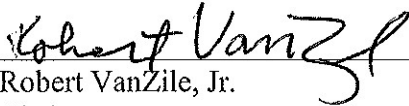
**16. New Section XXXVIII is created and its text consists of the text moved from existing subsection XXXVII.E, except as amended as follows:**

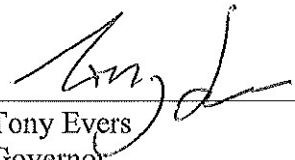
- a. The existing title, "Regulatory Requirements . . . and Records", is deleted and replaced with: "DATA REPORTING."
- b. Existing paragraph XXXVII.E.1. is amended to be subsection XXXVIII.A. and its text is amended as follows: "date of this Amendment # 2" is deleted and replaced with "effective date of the Third Amendment to the Compact".
- c. Existing paragraph XXXVII.E.2. is amended to be subsection XXXVIII.B. and "XXXVII.D." is deleted and replaced with "XXXVII".
- d. Existing paragraph XXXVII.E.3. is amended to be subsection XXXVIII.C. and its text is deleted and replaced with the following:
  - 1. The Tribe shall submit the following to the Department on a monthly basis, in an electronic format mutually agreed upon by the State and the Tribe, not later than fourteen (14) days after the conclusion of each calendar month:
    - a. Daily revenue information for table games: type of table game, table number, shift, opening inventory, fills, credits, adjustments, closing inventory, drop, and win/loss; and
    - b. Daily revenue information for event wagering: the total amount of all wagers received less voided or canceled wagers and amounts paid out for winning wagers and the total amount of the write on events or games that occur during the month or will occur in subsequent months, less gaming payouts.

IN WITNESS WHEREOF, the Sokaogon Chippewa Community and the State of Wisconsin have hereunto set their hands and seals.

**SOKAOGON CHIPPEWA COMMUNITY**  
**(MOLE LAKE BAND OF LAKE**  
**SUPERIOR CHIPPEWA INDIANS)**

**STATE OF WISCONSIN**

By:   
Robert VanZile, Jr.  
Chairman

By:   
Tony Evers  
Governor

Date Signed: 8/15/22

Date Signed: 9/12/22