

National Indian Gaming Commission

SETTLEMENT AGREEMENT**SA-08-04**

INTRODUCTION

This Settlement Agreement (Agreement) is entered into by and between the Chippewa Cree Tribe ("the Tribe"), a federally-recognized Indian tribe, and the Chairman of the National Indian Gaming Commission ("NIGC Chairman"), relating to the matter contained in the NIGC Chairman's Notice of Violation No. NOV-08-04;

RECITALS

1. Whereas, the Indian Gaming Regulatory Act ("IGRA") authorizes the NIGC Chairman to issue civil fines for violations of the IGRA, NIGC regulations, or tribal regulations, ordinances, or resolutions approved by the NIGC Chairman under 25 U.S.C. Sections 2710(b)(2)(E), 2712, and 2713(a)(1).
2. Whereas, under the regulations of the NIGC, 25 C.F.R. § 573.3(a), the Chairman may issue a Notice of Violation ("NOV") to any person for violations of any provision of the IGRA, NIGC regulations, or any provision of a tribal gaming ordinance or resolution approved by the Chairman;
3. Whereas, on May 23, 2008, the NIGC Chairman issued NOV-08-04 for the Tribe's failure to submit an independent audit report within 120 days after the end of the gaming operation's fiscal year.
4. Whereas, the Chairman and the Tribe desire to achieve an amicable resolution of Notice of Violation No. NOV-08-04.
5. Therefore, the Chairman and the Tribe have agreed to execute this Agreement and perform in accordance with the following covenants and conditions:

TERMS OF SETTLEMENT

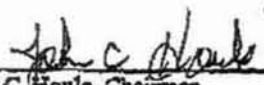
6. This Agreement is entered into pursuant to 25 C.F.R. Section 575.6 (b) and shall be effective upon the date that it is signed by the last party to sign this Agreement ("the Effective Date").
7. The Tribe agrees that it was required to submit a timely audit report to the NIGC for Northern Winz Casino for the fiscal year ended September 30, 2007.
8. The Tribe agrees that it submitted the audit report for Northern Winz Casino for the fiscal year ended September 30, 2007, to the NIGC in an untimely fashion.
9. The Tribe agrees that the failure to submit an annual independent audit report for its gaming operation in a timely fashion is a violation of IGRA, 25 U.S.C. § 2701 *et seq.*, NIGC regulations, and the Tribe's gaming ordinance.
10. The Tribe agrees to pay a civil fine of ten thousand dollars (\$10,000), made payable to the U.S. Treasury and delivered to the NIGC. Five thousand dollars (\$5,000) of the fine shall be due within thirty (30) days after the Effective Date.
11. The remaining five thousand dollars (\$5,000) will be suspended pending the following:
 - (a) Two thousand five hundred dollars (\$2,500) will be forgiven if the Tribe submits its fiscal year 2006-2007 audit by August 12, 2008. If the Tribe fails to submit the audit by August 12, 2008, two thousand five hundred dollars (\$2,500) becomes due by September 1, 2008.
 - (b) The remaining two thousand five hundred dollars (\$2,500) will be forgiven upon the Tribe's compliance with all applicable deadlines for all submissions required by the NIGC for the fiscal year ending September 30, 2008. For purposes of this Agreement, the following are the submissions required by the NIGC: annual independent audit, agreed upon procedures report regarding compliance with internal controls for class II and class III gaming, and quarterly statements and fees. If the Tribe fails to submit any of the required submissions in a timely manner, the remaining two thousand five hundred dollars (\$2,500) of the fine will become due thirty (30) days from the deadline missed.
12. By entering this Agreement, the NIGC Chairman agrees to waive his right to impose any additional civil fine or a closure order against the Tribe for the matters addressed in NOV-08-04, provided that if the Tribe fails to comply with this Agreement, the NIGC Chairman may issue a proposed civil fine to resolve the Tribe's violation and/or breach of this Agreement.

13. The Tribe agrees upon execution of this Agreement to waive the right to further review of matters addressed in this Agreement, including all rights to appeal to the full Commission as set forth in 25 C.F.R. Sections 577 *et seq.* and judicial review pursuant to 25 U.S.C. Section 2714.

ADDITIONAL COVENANTS

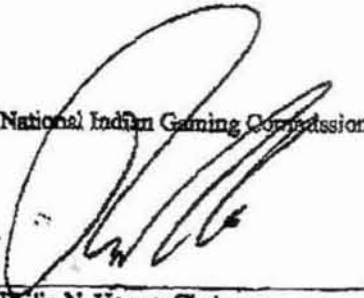
14. This Agreement constitutes the entire agreement between the NIGC Chairman and the Tribe relating to the enforcement matter set forth at the beginning of this Agreement. Any modification or waiver of any term of this Agreement must be in writing and signed by both parties.
15. The Tribe stipulates that this Agreement shall be deemed to be the subject of a final order of the NIGC under 25 C.F.R. § 575.4(c)(1) and a final agency action pursuant to 25 C.F.R. § 577.9(d).
16. The NIGC Chairman and the Tribe expressly agree and acknowledge that time is of the essence in this Agreement. The recitals herein shall be binding upon the parties, their agents, heirs, personal representatives, successors and assigns.
17. The parties agree that after the Effective Date, this Agreement shall be a public document and may be published or disclosed by either party.
18. This Agreement may be executed on one or more counterparts and each shall constitute an original. A signature produced by facsimile shall be deemed to be an original signature and shall be effective and binding for purpose of the Agreement.

Chippewa Cree Tribe


John C. Houle, Chairman

Date: 6/24/08

National Indian Gaming Commission


Philip N. Hogen, Chairman

Date: 6/23/08