

Oneida Tribe of Indians of Wisconsin

Post Office Box 365



Oneidas bringing several hundred bags of corn to Washington's starving army at Valley Forge, after the colonists had consistently refused to aid them.

Phone: (414) 869-2214



Oneida, WI 54155



UGWA DEMOLUM YATEHE
Because of the help of this Oneida Chief in cementing a friendship between the six nations and the colony of Pennsylvania, a new nation, the United States was made possible.

Special Business Committee Meeting Re: Joint Venture with Wisconsin Wireless Corporation Minutes of June 13, 1995

Business Committee Present:

Debbie Doxtator- Chair, Loretta V. Metoxen - Vice-Chair, Kathy Hughes - Treasurer, Julie Barton -Secretary, Ernie Stevens, Jr., Gary Jordan Russell Metoxen, Sandra Ninham - Council Members

Others:

Diane Danforth, Deana Bauman, Al Manders, Sandy Goss, Mark Powless, Bruce King
Daniel Brink

Presentations:

Bruce King

Provided background information on the opportunity the FCC has provided to entrepreneurs to own licenses for wireless communications and the auction process in which entrepreneurs can participate in bidding for licenses in wireless communications.

This was looked at back in March, in the interim, conversations were started with Wireless Communications. We had some commonalities and agreements on what we want to do to compliment each other on what we had to offer.

A couple of outstanding issues that we ran into were Indian tribes are authorized to bid as a minority enterprise in this auction provided they do not fail a test concerning Gaming. You have to prove that your gaming revenue does not give you an unfair advantage over other entrepreneurs. We expect this issue to be an outstanding issue even through the auction.

What we've had to do is provide two types of applications, the first alternative is that we'd own the majority of the company, that would be 50.1% of the company. If we cannot get that ruling, if we strongly feel the ruling concerning the Oneida tribe's participation as a minority enterprise is questioned and we do not feel confident that we can defeat that issue, then we'd go with the

second alternative of 25 % ownership, which is the maximum allowed under the scenario as a investor and they would own 75% and as such the terms and conditions also change.

Application must be submitted by the deadline of June 15, 1995. Virtually all the issues are resolved between wireless and ourselves. The other thing that complicated this issue is the Supreme court ruling on affirmative action programs, because of that, there are some questions whether or not the minority preference clauses within this FCC option will hold up. That is a part of these negotiated considerations.

Daniel Brink

The two different companies formed are Wireless PCS and Central PCS, with Wisconsin Wireless Corporation being the parent company involved in this transaction. Wireless PCS, is the entity we're buying into initially at 30%, if we do not win any of the licenses, then step two would be Central PCS. They are essentially two new Wisconsin Corporations that have been formed.

Wireless PCS is the transaction in which we believe we'll obtain the minority business designation. The basic terms of that transaction are to obtain 30% of the outstanding common stock of Wireless PCS. Wisconsin Wireless will obtain 70%. On or about July 10, 1995, we will put in about one million dollars of equity and lend 2.8 million dollars to this newly formed company, that money is put in to facilitate the bid. A stock purchase agreement for Wireless PCS only will be to obtain an additional 20.1% of the common stock of Wireless PCS as soon as the FCC has notified us that we've obtained the license. We have to do this within three days upon receiving the notice because the FCC only gives the company five days to fully pay the license. So there will be a stock purchase agreement only in Wireless PCS and not in Central PCS. In addition, we are providing a credit facility for up to thirty million dollars to facilitate acquisition of the license and operating the business.

We will be in the minority position until we put in nine million dollars. There is one instance when we will not control 50.1% of the common stock of this company if it's later determined that we are not a minority qualified business, if that occurs we go down to 49.9%.

With the Central PCS transaction, the closing today will require no cash transfers. On July 10, 1995 we put an additional 1 million dollars, the 2.8 million dollar loan and an additional capital commitment of 4 million dollars. We end up with 25% of the fully diluted equity of that business. So in Central, we're always a minority.

A negotiated transaction in both credit agreements is a provision that says if we deem reasonable that the company reasonable does not need the additional credit facility, then we don't have to put in the money.

We don't know right now what kind of license we're going to have or the number of licenses, so we can't tell up front what exactly the working capital of this company will be. But we do have an out in case we reasonably believe at that time the monies not needed.

Listed below are the four highlighted points of interest:

Investment Agreement:

Article I

- 1.1 Purchase and sale of common shares. At the closing (as defined below) the Company will sell to the Investor and Investor will purchase from the Company an aggregate of 428 shares (the "Common Shares") of the Common Stock which shall constitute 30% of all of the fully diluted Common Stock issued and outstanding after such purchase, at a price of \$2,336.45 per share, for an aggregate purchase price of \$1,000,000 (the "Common Shares Purchase Price"), payable as provided in section 1.2 below

- 1.2 Closing. Subject to the satisfaction or waiver of the conditions set forth in Article VI below, the sale and purchase of the Common Shares shall be made at a closing (the "Closing") to be held at the offices of the Company on June 13, 1995, or at such other time and on such other date or dates as the Investor, the Shareholder and the Company may mutually agree. Payment of the Common Shares Purchase Price to the Company for the Common Shares shall be made on or before July 10, 1995, and shall be by wire transfer of immediately available federal funds. At Closing, the Company shall deliver to the Investor duly executed certificates representing the Common Shares purchased by the Investor issued in Investor's name.

- 2.6 Disclosures.
 - a. To the knowledge of the Company or the Shareholder, neither this Agreement, any schedule or exhibit attached to this Agreement, any agreements of the Company and/or the Shareholder required hereunder, nor any other agreement, document or written statement made by the Company or the Shareholder and furnished by the Company or the Shareholder to the Investor or the Investor's special counsel in connection with the transactions contemplated hereby, when taken together, contains any untrue statement of material fact or omits to state any material fact known to Company or Shareholder necessary to make the statements contained herein or therein not misleading in any material respect. There is no fact known to the Company or the Shareholder that has not been disclosed herein or in any other agreement, document or written statement furnished by the Company to the Investor or its special counsel in connection with the transactions contemplated hereby which materially adversely affect the business, prospects, properties, assets or financial conditions of the Company.

- b. Section 2.6(a) shall not be construed as applying to any forecast or financial projection (“Forecasts”). With respect to Forecasts, the only representation or warranty made by the Company and Shareholder shall be as follows: that such Forecasts were prepared by the Company or Shareholder in good faith based upon assumptions which the Company and Shareholder believed to be true and reasonable in all material respects. Such Forecasts, by their nature, are projections of future occurrences which can and will be affected by future events.

Section 2.6 is very important to us, it means if Wisconsin Wireless lied to us in any one of the business plans, we could take action against them.

The tribe will already defend the minority business designation itself, so we will indemnify them for any cost and expenses in connection with that, that’s mostly legal and lobbying fees. We will indemnify them for penalties such as failure to file correctly, and additional credits over a small business credit for being a small business. The differential is 15% of the license price, if at a later date, it is determined that we are not minority small business qualified, we will indemnify the company for that fixed amount.

We’ve been asked to provide financing for the differential financing cost that the company would undertake because of this minority business designation problem. We haven’t agreed to it and as of right now, we’re still in discussion.

There is a provision that says no matter what, we do not indemnify them for lost opportunity or consequential damages.

Stock Purchase Agreement:

1. Purchase of Shares

- a. The Purchaser hereby agrees to purchase on the Purchase Obligation Date 574 shares of the Common Stock (the “Shares”), which together with Purchaser’s 428 shares, shall represent, in the aggregate, 50.1% of the fully diluted Common Stock issued and outstanding immediately after such purchase.
- b. If the Company is not awarded the right to acquire any PCS License, the Company shall not be obligated to purchase the Shares.
- c. For purposes of this Agreement, the “Purchase Obligation Date” shall be the date the Company is informed by the FCC that it has been awarded one or more PCS Licenses.

2. Purchase Price; Manner of Payment

- a. In consideration of the Company’s performance of all of the terms, covenants and provisions of this Agreement, the Purchaser shall pay to the Company at Closing an amount equal to \$9,000,000 (the “Purchase Price”).

This means whereby we get 50.1% in Section I, in Section II, it's a 9 million purchase price. A fairly standard document.

Shareholders Agreement:

1.1 Affiliate. Any Person who controls, is controlled by or under the common control with another Person. For purposes hereof, the term "control" or its like means the possession, direct or indirect or cause the direction of the management and policies of a person, whether through the ownership of at least 51% of a Person's voting securities or voting interest, by contract or otherwise.

This means under Wisconsin Law, whoever owns 50.1% can elect the entire board, all management, etc. We took types of protections you'd find in a venture capital transaction. Restrictions on transferring are neither can transfer their shares without a right of first refusal from the other party.

4.1 Force-Along Rights of the Shareholders In the event of the occurrence of a Force-Along Event (as defined herein), but only if the Company and the Shareholders do not exercise any applicable right of first refusal as provided in Article III hereof, the Shareholder or group of Shareholders who collectively own more than fifty percent (50%) (in terms of voting power) of the Company's Shares outstanding on a fully-diluted basis and who desire to effect the Force-Along Event (the "Company Group") shall have the collective right (a "Force-Along Right") to require each Shareholder who is not a member of such Control Group to, and each such Shareholder shall, participate in such Force-Along Event and join with the Control Group in a Transfer of their Shares, the terms of which shall be fair to the interests of the minority or other Shareholders not included in the Control Group (the "Minority Shareholders") as agreed upon by all of the Shareholders,etc.

This means when you have less than 50% of common stock your considered a minority shareholder, two key provisions included are if the majority has a fair deal that it can take the minority along with it, if the majority sells, we can say, we want to come along with it.

Preemptive rights are if any additional shares are issued to any other company, we want the ability to get a pro-rated portion of those shares. This is one open item that we hope to get done today, this preemptive right has to be put in the Article of Incorporation that's filed with the Secretary of State. Everyone's agreed to the terms of this but it has to actually be written in the Article of Incorporation. We could always maintain our position with these rights, and if we decide not to, it's our call.

We have covenants in this agreement and the credit agreement, the company has to do positive things regardless if your the minority or the majority, and it can't do certain things without your consent. In regard to financial reports, we have the right to inspect January's 1996 audit report. So long as we own 10% of the company, the company cannot do any of these actions without our consent, such as issuing securities, cannot issue into certain affiliated agreements, basically, we can decide material items, even though we may not be in control. As for the Board, whoever is

in control gets to elect three out of the five. Initial designees are to be Mr. Artman, Artely Skenandore and Bruce King.

Credit Agreement:

1.1 The Loans: The Lender will lend to the Company, subject to the terms and conditions hereof, up to the maximum amount of \$30,000,000. Advances under this section 1.1 shall be made in three installments of up to \$10,000,000 each, or such lesser amount as reasonably deemed necessary by the Lender and the Company to satisfy the Company's capital expenditures, working capital and other financial needs, which installments will be made available to the Company on or about September 1, 1996, April 1, 1997 and November 1, 1997, respectively. All loans shall be evidenced by a single promissory note of the Company in the form of Exhibit A attached hereto (the "Note"). Although the Note shall be expressed to be payable in the full amount specified above, the Company shall be obligated to pay only the amounts actually disbursed to or for the account of the Company, together with interest on the unpaid balance of the sums so disbursed, which remain outstanding from time to time as shown on the records of the Lender. The unpaid principal balance of the Note and all accrued interest thereon shall be due and payable, in one lump sum, on September 1, 2006 or such earlier date as determined pursuant to the provisions of section 1.6 of this Agreement. Any sums repaid by the Company to the Lender may not be reborrowed. The unpaid principal balance of the Note may be prepaid, in whole or in part, at any time without premium or penalty.

Notwithstanding the foregoing, the Lender shall have no obligation to advance any sums to the Company if the Company is not awarded the right to purchase at least one PCS License (as Defined in the Investment Agreement) pursuant to the Company's application in the Federal Communications Commission Entrepreneur Broadband Frequency Block "C" Auction. The Company agrees that this Credit Agreement Shall be null and void and of no further effect if the Company is not awarded the right to purchase at least one PCS License. The Company and the Lender acknowledge and agree that the sums required to be disbursed to the Company pursuant to this section shall be determined, in part, by the number of PCS Licenses acquired by the Company and the capital expenditures, working capital and other financial needs associated with the actual PCS Licenses so acquired.

This means the credit agreement provides for the thirty million dollar loan to the company. We now have a secured credit agreement, we will have preference over all trade creditors. We have agreed to subordinate our credit interests, because we're essentially a strategically venture capital type player right now. We will subordinate right now to institutional debt and certain type leases where there capitalized lease purchases. Subordination means we will allow someone else to take a prior security interest. We provide the base finance level, we would hope that a secured major bank would come in and provide the long term debt and working capital, so we'd subordinate that, it's an open item right now because they've asked us to subordinate to more than that.

The interest rate is prime, we will be accruing interest but not paid interest during most of the term of this agreement. After the 7th year we will be able to be paid interest based on a formula similar to a venture capital formula or bank formula where as long as the company has debt service covered, meaning that they have sufficient cash on hand to pay their debt service, then we start getting paid our accrued interest, it's paid up at the end of term.

Separate covenants that they had just realized, that these covenants are outstanding as long as we have debt. These covenants are fairly restrictive on the company, they have asked for some relief from this, and since it was not brought into the negotiations, I think we're going to wind up with these covenants as long as we have debt. We have limitation on excessive salaries, they asked for exception there if our board of directors agree to it.

In the credit agreement we have the language that says we put in the thirty million dollars or such lesser amount that's reasonably deemed necessary by the lender and the company to satisfy the companies capital expenditures. The credit agreement with Central Wireless is for twelve million dollars instead of thirty million dollars.

This ends my presentation.

Diane Danforth:

What you have in front of you is a resolution that would approve an present and future transfers for OEDA to participate in this investment, and then I'll be asking the OEDA in another resolution to approve all the terms and conditions and all of these agreements.

WHEREAS, the Oneida Business Committee is desirous of participating in the telecommunications infrastructure of the United States as an avenue to promote the investments of the Oneida Tribe, and

WHEREAS, the Oneida Tribe, through one of its tribally chartered corporations, Oneida Enterprise Development Authority ("OEDA"), is entering into a joint venture with Wisconsin Wireless for the purpose of applying to the Federal Communications Commission (FCC) for licenses in the personal communication services area, and

WHEREAS, OEDA requires a substantial injection of Tribal funds in order to participate in this investment

NOW THEREFORE BE IT RESOLVED: that the Oneida Business Committee hereby approves of the present and future transfer of Tribal funds into OEDA for purposes of OEDA's participation in this telecommunication infrastructure investment.

MOTION BY LORETTA V. METOXEN TO ADOPT RESOLUTION 6-13-95-A WITH A RETRO ACTIVE STATEMENT OF EFFECT FROM LOC, SECONDED BY RUSSELL METOXEN. MOTION CARRIED UNANIMOUSLY.

MOTION BY ERNIE STEVENS, JR. TO ADJOURN, SECONDED BY LORETTA V. METOXEN. MOTION CARRIED UNANIMOUSLY.

Respectively Submitted,



Julie Barton, Tribal Secretary
Oneida Tribe of Indians of Wisconsin