

**WISCONSIN TRAPSHOOTING ASSOCIATION, INC.  
W5863 MUSKELLUNGE ROAD  
TOMAHAWK, WISCONSIN 54487**

January \_\_\_\_, 2010

President  
Hodag Sports Club  
20 S. Brown Street  
P.O. Box 128  
Rhineland, WI 54501

Re: Letter of Intent for Shooting Facility

Dear \_\_\_\_\_:

This Letter of Intent is to meant to summarize discussions between Wisconsin Trapshooting Association, Inc. (“WTA”), a Wisconsin Non-Stock Corporation, and Hodag Sports Club (“HSC”), a Wisconsin Non-Stock Corporation, relating to the proposed construction and operation of a shooting facility by WTA on some or all of approximately nine-hundred (900) acres of land owned by HSC in the Town of Pine Lake, Oneida County, Wisconsin (the “Land”) and the lease terms between WTA and HSC (collectively the “Project”). WTA and HSC are nonprofit organizations under section 501(c)(3) of the Internal Revenue Code.

The purpose of the Project is to promote shooting sports. In furtherance of this purpose, WTA and HSC desire to create a year-round shooting facility capable of hosting various types of competitive shooting events and providing teaching and training opportunities for shooting sports.

This Letter of Intent is not binding upon the parties, but summarizes the intention and desire of the parties to negotiate the terms of the construction, operation, and lease, as well as other ancillary documents necessary for the completion of the Project. Until such documents are executed by the parties, no party is bound or liable to the other for the performance of any duties or the payment of any amounts relating to the Project, and either party may unilaterally withdraw from the negotiations or terminate this Letter of Intent at any time, without obligation or liability to the other party to this Letter of Intent.

1. **Good Faith Negotiations.** WTA and HSC shall expend reasonable and good faith efforts to negotiate and finalize the terms of the Project and execute all documents pursuant to the Project.

2. **Term of Negotiations.** If the terms of the Project are not finalized and the necessary agreement(s) are not executed within one-hundred eight (180) days after the effective date this Letter of Intent, this Letter of Intent shall terminate on such date. The effective date of this Letter of Intent shall be the date it is fully executed by both parties below.

3. **Conditions Precedent.** The commitments contained herein shall be subject to the following conditions precedent:

a. WTA obtaining all permits, licenses, and approvals necessary for the development, construction, and operation of the Project;

b. WTA obtaining financing in the form of equity and/or loans, all in amounts and upon terms and conditions reasonably acceptable to WTA, in WTA's sole reasonable determination;

c. HSC obtaining approval for the Project from the Town of Pine Lake Zoning and Planning Committee;

d. WTA and HSC obtaining all approvals required by the boards of directors of WTA and HSC;

e. WTA and HSC shall make commercially reasonable efforts to complete the items set forth in paragraphs 3(a) through 3(d) above; and

f. WTA and HSC agreeing on the portion of the Land on which the Project will be located.

4. **Term and Conditions of the Project.** The agreement(s) entered into by and between WTA and HSC with regards to the Project shall contain the following terms and conditions:

a. Subject to paragraph 3(b), WTA shall pay for all costs associated with the Project, including, but not limited to, fees for obtaining all permits, licenses, and approvals necessary for the development, construction, and operation; costs for the construction of a shooting facility on the Land (the "Facility"); costs for all improvements to the Land associated with the Project (the "Improvements"); costs associated with operating the Project; governmental penalties imposed on HSC resulting from the Project; and WTA's legal and professional fees incurred resulting from the Project.

b. WTA shall own the Facility and the Improvements. At any time at WTA's sole discretion or at such point that WTA dissolves, WTA shall transfer all ownership rights in the Facility and the Improvements to HSC.

c. HSC shall own the Land.

d. WTA and HSC shall enter into a lease agreement, wherein HSC shall lease the Land to WTA (the "Lease").

- (1) Unless WTA and HSC mutually agree otherwise, the term of the Lease shall extend until WTA is dissolved, or otherwise transfers ownership of the Project to HSC.
- (2) For the first five (5) years of the Lease, WTA shall pay to HSC annual rent equal to one dollar and no/100ths (\$1.00). For the sixth year of the Lease and all years thereafter, WTA shall pay to HSC annual rent equal to six percent (6.00%) of WTA's annual gross income derived from the Facility and the Improvements.
- (3) During the term of the Lease WTA shall pay all maintenance costs, insurance and real estate taxes, if any, associated with Project.

e. WTA and HSC shall comply with all federal, state, and local laws and regulations that apply to the Project.

f. WTA and HSC shall develop a Lead Management Plan for the purpose of complying with all federal, state, and local health and safety standards pertaining to lead-related issues resulting from the Project.

5. **Public Disclosures/Announcements.** No party may make any public release of information regarding the Project or the matters contemplated in this Letter of Intent without the prior written consent of the other party. The timing and content of any press or news releases concerning the Project to the press or other new media will be determined by prior written agreement of the parties.

6. **Assignment.** This Letter of Intent may not be assigned by a party without the prior written consent of the other party.

7. **Amendment.** This Letter of Intent may be amended, modified, superseded, or canceled only by a written instrument executed by all of the parties to this Letter of Intent.

8. **Entire Agreement.** This Letter of Intent constitutes the entire agreement between the parties with respect to the subject matter hereof and cannot be modified, altered, or otherwise changed except by a written instrument executed by all of the parties to this Letter of Intent.

9. **Counterparts.** This Letter of Intent may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

10. **Non-Binding Agreement.** This Letter of Intent does not constitute a binding commitment on either party with respect to the Project.

11. **Governing Law.** This Letter of Intent shall be governed by and construed in accordance with the laws of the State of Wisconsin.

If this Letter of Intent accurately summarizes the parties' understanding with respect to the Project, please sign it below. This Letter of Intent shall be effective upon the date it is fully executed by both parties hereto.

**WISCONSIN TRAPSHOOTING ASSOCIATION, INC.**  
a Wisconsin Non-Stock Corporation

By: \_\_\_\_\_

As its: \_\_\_\_\_

Date: \_\_\_\_\_

**HODAG SPORTS CLUB**  
a Wisconsin Non-Stock Corporation

By: \_\_\_\_\_

As its: \_\_\_\_\_

Date: \_\_\_\_\_