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6 *Attorney for Plaintiffs*

7 **IN THE HUALAPAI TRIBAL COURT**

8 **PEACH SPRINGS, ARIZONA**

9 WD AT THE CANYON, LLC, an Arizona
10 limited liability company, JAMES R.
BROWN, a married man,

11 Plaintiffs,

12 v.

13 HWAL'BAY BA:J ENTERPRISES, INC.,
14 d/b/a GRAND CANYON RESORT
CORPORATION, a tribally chartered
15 corporation of, and owned by, the Hualapai
Indian Tribe,

16 Defendant.

Case No.

17 **VERIFIED COMPLAINT**

18 Plaintiff WD AT THE CANYON, LLC and JAMES R. BROWN (collectively,
19 "Plaintiffs"), for their Complaint against Defendant HWAL'BAY BA:J ENTERPRISES,
20 INC., d/b/a GRAND CANYON RESORT CORPORATION ("Defendant"), allege as
21 follows:

22 **PARTIES, JURISDICTION, AND VENUE**

23 1. Plaintiff WD AT THE CANYON, LLC ("Western Destinations") is an
24 Arizona limited liability company.

25 2. Plaintiff JAMES R. BROWN ("Jim Brown") is an Arizona resident, a
26 member and manager of Western Destinations, and was at all relevant times herein
27 empowered to act on behalf of Western Destinations.

28

1 14. In return for his investment, the Town Agreement gave Jim Brown the right
2 to manage the Western Town and collect management fees.

3 15. With the Western Town complete and a large glass observation deck
4 attraction known as the "Skywalk" in construction, GCRC again reached out to Jim
5 Brown and asked him to build lodging at Grand Canyon West.

6 16. On September 29, 2006, GCRC and Jim Brown entered into a written
7 "Development and Management Agreement (Cabins)" (the "Cabin Agreement")
8 regarding the construction of forty (40) cabins near the Western Town to provide lodging
9 and increased profitability to Grand Canyon West. An accurate copy of the Cabin
10 Agreement is attached hereto as Exhibit B.

11 17. Jim Brown submitted to GCRC all proposed plans and specifications for
12 construction of the cabins, as required by the Cabin Agreement.

13 18. GCRC approved the proposed plans and specifications for construction of
14 the cabins.

15 19. For the first phase of construction pursuant to the Cabin Agreement, Jim
16 Brown constructed twenty-six (26) cabins in 2006.

17 20. Jim Brown invested approximately five hundred forty-five thousand dollars
18 (\$545,000.00) of his own money to build the twenty-six (26) cabins at the Hualapai
19 Ranch.

20 21. Pursuant to the Cabin Agreement, GCRC inspected and approved the
21 completed construction of the twenty-six (26) cabins.

22 22. The Western Town and the twenty-six (26) cabins were collectively referred
23 to and known as the "Hualapai Ranch."

24 23. Pursuant to the Town and Cabin Agreements, Jim Brown managed the
25 Hualapai Ranch as a tourist attraction where visitors to Grand Canyon West could
26 participate in cowboy games, guided horseback tours, and other activities for a fee.
27 Visitors could also stay overnight and purchase meals at the Hualapai Ranch.
28

1 24. The Skywalk opened in March of 2007, and customer attendance at Grand
2 Canyon West, including Hualapai Ranch, increased significantly thereafter.

3 25. Jim Brown successfully managed the Hualapai Ranch, both from a profit
4 standpoint and as measured by customer satisfaction.

5 Tribal Turmoil

6 26. Between 2007 and 2009 the GCRC Board of Directors (“GCRC Board”)
7 terminated a number of executives, including CEO Sherri Yellowhawk and CFO Steve
8 Beattie, the two Tribal members who initially sought Jim Brown’s investment in Grand
9 Canyon West.

10 27. On information and belief, between 2008 and 2012, GCRC hired and then
11 lost, either through termination or resignation, approximately six (6) CEOs.

12 28. In 2009, the Hualapai Tribal Council (“Council”) terminated the entire
13 GCRC Board.

14 29. On information and belief, the Council terminated the entire GCRC Board
15 due to concerns that the GCRC Board failed to accurately and appropriately communicate
16 financial and other information to the Council.

17 30. After the Council terminated the GCRC Board, the Council acted as the
18 GCRC Board until the installation of a replacement GCRC Board.

19 The Amended Agreement

20 31. In 2010, Robert Bravo, the interim CEO of GCRC, approached Jim Brown
21 about combining the Town and Cabin Agreements into one agreement.

22 32. In March of 2010, Jim Brown met with GCRC representatives, including
23 Robert Bravo (Interim CEO of GCRC), Wanda Easter (CFO of the Tribe), Jaci Ulmer
24 (CFO of GCRC), and Wilfred Whatoname (Chairman of the Council) to discuss
25 combining the Town and Cabin Agreements.

26 33. GCRC representatives told Jim Brown that they proposed combining the
27 Town and Cabin Agreements into a new single agreement to 1) provide a unified
28 operating term (as the Town and Cabin Agreements expired at different times), and 2)

1 bring all employees under a single GCRC management structure, as some employees at
2 Grand Canyon West worked for Jim Brown and others for GCRC.

3 34. GCRC drafted and proposed a new agreement which purported to amend
4 and restate the Town and Cabin Agreements (the "Amended Agreement"). An accurate
5 copy of the Amended Agreement is attached hereto as Exhibit C.

6 35. Jim Brown expressed concern to the GCRC representatives at the March
7 2010 meeting that the Amended Agreement removed the arbitration and waiver of tribal
8 sovereign immunity sections present in the Town and Cabin Agreements.

9 36. At the March 2010 meeting, GCRC represented that they removed those
10 sections because the ongoing litigation between the Tribe and Skywalk developer David
11 Jin put political pressure on the GCRC Board to remove such sections. GCRC
12 representatives expressly promised that GCRC would not claim sovereign immunity in the
13 event of a dispute arising from the Amended Agreement.

14 37. At the March 2010 meeting, GCRC representatives said that they removed
15 the sovereign immunity and arbitration provisions only to appease Tribal leaders, that
16 every business partnership needed to be based on trust, and that Jim Brown needed to trust
17 GCRC when they said that they would never claim sovereign immunity or refuse to honor
18 the Amended Agreement.

19 38. On April 15, 2010, the Council, acting as the GCRC Board, held a meeting
20 to review and approve the Amended Agreement. At that meeting, Jim Brown reiterated
21 his concern that the Amended Agreement did not include the waiver of sovereign
22 immunity present in the Town and Cabin Agreements. The Council assured Jim Brown
23 that the Tribe would honor the contract and would not raise sovereign immunity as a
24 defense to any breach of the Amended Agreement.

25 39. On information and belief, at the same time that the Council, acting as the
26 GCRC Board, fraudulently induced Plaintiffs to sign the Amended Agreement, the
27 Council also attempted to induce Skywalk developer David Jin to sign a similar
28

1 agreement, demonstrating an active conspiracy and plan to deprive non-Tribal investors of
2 contract rights.

3 40. Western Destinations and the Council executed the Amended Agreement,
4 and on April 15, 2010, the Council adopted the Amended Agreement.

5 41. On April 15, 2010, pursuant to the terms of the Amended Agreement,
6 GCRC accepted, approved and certified that the construction of Hualapai Ranch met all
7 Tribal construction and building codes.

8 Western Destinations Proposes Additional Investment in Grand Canyon West

9 42. In April or May of 2011, Jim Brown attended a GCRC Board meeting and
10 presented a detailed, hour-long proposal for further investment and expansion of the
11 Hualapai Ranch (the "Proposal").

12 43. As part of the Proposal, Western Destinations would invest 5.5 million
13 dollars of its own money to tear down the existing barn, construct a new restaurant,
14 construct a new barn, move and designate existing cabins as employee housing, and
15 construct up to sixty (60) new cabins for guest accommodations at the Hualapai Ranch.

16 44. In return for its 5.5 million dollar investment, Western Destinations
17 requested a longer management term for the Hualapai Ranch.

18 45. GCRC refused the Proposal.

19 Prejudices Against Non-Tribal People/Entities

20 46. In September of 2011, the Tribe fired Interim CEO Robert Bravo and
21 replaced him with Waylon Honga ("Mr. Honga").

22 47. On information and belief, Mr. Honga was personally prejudiced against
23 white, non-Tribal people and had been overheard on a number of occasions making
24 derogatory comments about white people.

25 48. Jim Brown as a white male became a target for Mr. Honga's prejudices.

26 49. On information and belief, Mr. Honga personally disliked Jim Brown due to
27 Jim Brown's race and status as a non-Tribal business partner.

28

1 50. On information and belief, Mr. Honga initiated and/or joined an existing
2 conspiracy to remove and/or terminate agreements with all non-Tribal vendors and
3 business partners.

4 51. The Amended Agreement required Mr. Honga, as CEO of GCRC, to meet
5 monthly with Jim Brown to discuss the Hualapai Ranch, including without limitation,
6 plans for expansion and/or improvements and the profitability of the Hualapai Ranch.

7 52. Beginning in early 2012, Mr. Honga refused to respond to Jim Brown's
8 numerous attempts to schedule a meeting and failed to meet with Mr. Brown as required
9 by the Amended Agreement.

10 53. On information and belief, beginning in early 2012, Mr. Honga began
11 conspiring with other Tribal leaders to remove Jim Brown and Western Destinations as
12 manager of the Hualapai Ranch and to terminate the Amended Agreement.

13 Skywalk Litigation Repercussions

14 54. On February 13, 2012, Dave Cieslak ("Mr. Cieslak"), public relations
15 representative for the Tribe, asked Jim Brown to sign his name to an Op-Ed piece
16 authored by Mr. Cieslak regarding the Skywalk litigation.

17 55. Because Jim Brown did not draft the Op-Ed, and because the Cieslak-
18 drafted Op-Ed was very negative and critical of Mr. Jin, Jim Brown refused to sign it.

19 56. Instead, Jim Brown authored his own positive Op-Ed piece praising the
20 Tribe and highlighting his positive business relationship with the Tribe. Accurate copies
21 of the Cieslak-drafted Op-Ed and Jim Brown's Op-Ed are collectively attached hereto as
22 Exhibit D.

23 57. On February 15, 2012, Jim Brown e-mailed a copy of his positive Op-Ed to
24 Mr. Cieslak, with copies to Mr. Honga and Jaci Ulmer, the CFO of GCRC. Jim Brown's
25 e-mail stated, in part, "[H]ere is a draft that I feel very comfortable in sending and I also
26 feel strongly that in the long run, delivers more impact than a more specific negative
27 David Jin campaign....To me, all the public needs to know is the hundreds of other
28 partners and vendors have had great experiences and that obviously the Tribe does not

1 seek to renig on anyone or any contract unless forced to do so. To continue a negative
2 campaign on our part only plays more into David's hand, that it's personal."

3 58. Upon receipt of Jim Brown's e-mail and refusal to sign the Op-Ed authored
4 by Mr. Cieslak, Mr. Honga called Jim Brown and angrily told him, "You're either on our
5 team or not."

6 59. Jim Brown explained that he did not want to be a part of a negative public
7 relations campaign concerning a different Tribal business partner, but that he would be
8 more than willing to contribute to a positive public relations campaign about his
9 experience doing business with the Tribe.

10 60. Neither Mr. Cieslak nor Mr. Honga were interested in Jim Brown's positive
11 Op-Ed piece.

12 61. On information and belief, Jim Brown's refusal to participate in the negative
13 public relations campaign against David Jin resulted in Tribal Leaders, including Mr.
14 Honga, conspiring to manufacture illegitimate reasons to terminate the Amended
15 Agreement, take over the Hualapai Ranch, and keep all profits therefrom.

16 Conspiracy to Terminate the Amended Agreement

17 62. On February 17, 2012, Mr. Honga e-mailed Jim Brown and claimed that he
18 reviewed the Amended Agreement and noticed that Western Destinations failed to attach
19 its "Standards of Operation" to the Amended Agreement.

20 63. After receiving Mr. Honga's e-mail, Jim Brown immediately attempted to
21 call Mr. Honga on February 17, 2012, but Mr. Honga did not answer. Jim Brown then
22 sent a follow-up e-mail the same day explaining that Western Destinations' "Standards of
23 Operation" were not applicable because the Amended Agreement placed all employees
24 under the control of GCRC and the Tribe. Nonetheless, Jim Brown offered to send an
25 additional copy of the Western Destinations employee manual.

26 64. Jim Brown ended his e-mail of February 17, 2012 by stating "More
27 concerning to me, is making sure that there isn't a problem or if in any way you are
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1 dissatisfied with our services, because if so, please feel free to get in touch so that we may
2 discuss.”

3 65. Mr. Honga never responded in any way to Jim Brown’s e-mail of February
4 17, 2012.

5 66. Jim Brown sent a follow-up e-mail to Mr. Honga on February 21, 2012
6 stating, “I would also like to touch base with you regarding my question of last week, is
7 there something we are doing that you are not happy with?”

8 67. Mr. Honga never responded in any way to Jim Brown’s e-mail of February
9 21, 2012.

10 68. On April 13, 2012, Mr. Honga sent Jim Brown an e-mail containing
11 accusations that Western Destinations used complementary stays at the Hualapai Ranch to
12 entice customers to visit other Western Destinations locations not at Grand Canyon West.

13 69. Within three days of receiving Mr. Honga’s accusatory e-mail, Jim Brown
14 provided letters and e-mails specifically refuting Mr. Honga’s accusations.

15 70. Despite the Amended Agreement giving Western Destinations development
16 rights to build up to forty (40) cabins at the Hualapai Ranch, Mr. Honga’s e-mail of April
17 13, 2012 also stated, “I know you expressed in [sic] interest in building more cabins but
18 we are comfortable with our internal capabilities and in all probability, GCRC will build
19 more cabins with our resources.”

20 71. In May of 2012, GCRC “condemned” the barn at Hualapai Ranch, without
21 notice to Jim Brown or any explanation regarding the alleged deficiencies of the barn.

22 72. Upon learning of the barn condemnation, Jim Brown immediately attempted
23 to contact Mr. Honga regarding the reason for the condemnation and to discuss GCRC’s
24 suggested repairs and improvements to the barn.

25 73. Pursuant to the Amended Agreement, due to the condemnation, Western
26 Destinations had to receive prior approval from GCRC to make any extensive repairs or
27 capital improvements to the barn.

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1 74. Mr. Honga never responded to Jim Brown's numerous attempts to discuss
2 the condemnation of the barn.

3 75. On information and belief, around the same time in May of 2012, Mr.
4 Honga contacted Alison Raskinsky, a marketing professional who worked with the Tribe,
5 and asked her to review the Amended Agreement and let Mr. Honga know if she saw any
6 way to get rid of Western Destinations and Jim Brown.

7 76. Meanwhile, on or before June of 2012, Terry Kirkum ("Mr. Kirkum"), the
8 general manager of Grand Canyon West and, on information and belief, a co-conspirator
9 with Mr. Honga, commented to the Hualapai Ranch manager, David White, that Mr.
10 Kirkum "was going to get rid of Jim Brown no matter what it takes."

11 77. In June of 2012, Mr. Kirkum claimed that Jim Brown embezzled money
12 from GCRC by creating two fictitious business entities and making payments to himself
13 through said entities.

14 78. Mr. Kirkum referenced two checks written to "unknown" business entities
15 in amounts large enough to require Jim Brown's sign-off.

16 79. On information and belief, Mr. Kirkum told David White, "I've caught Jim
17 Brown red-handed."

18 80. An investigation revealed one check went to the long-time hay provider for
19 Hualapai Ranch (the hay company recently changed its name) and the other went to pay a
20 Hualapai food distributor (distributor mistakenly sent invoice to Hualapai Ranch and
21 Hualapai Ranch paid the invoice, when it should have been paid by the Tribe). The Tribe
22 actually reimbursed the Hualapai Ranch for the second check.

23 81. At a budget meeting in July of 2012, Jim Brown recommended to Mr.
24 Kirkum that they use a portion of the budget (originally allocated to build more cabins at
25 Hualapai Ranch) to re-build the kitchen or to build a new restaurant at the Hualapai
26 Ranch, as the existing kitchen had some mold contamination and needed repair and
27 remodeling. GCRC refused to allocate any funds to repair or remodel the existing kitchen
28 at Hualapai Ranch or to build a new restaurant at Hualapai Ranch.

1 82. As became clear in August of 2012, certain members of the GCRC Board
2 held inaccurate beliefs and/or intentionally conspired to spread false information
3 regarding the fee and expense structure in the Amended Agreement.

4 83. At the August 2012 GCRC Board meeting, Michael Vaughn, a GCRC board
5 member and, on information and belief, a co-conspirator with Mr. Honga and other Tribal
6 leaders, stated to Jim Brown, "I don't understand why we [the Tribe] pay all the bills and
7 then split the profits with you [Western Destinations]."

8 84. Jim Brown explained that in fact, pursuant to the Amended Agreement,
9 Western Destinations and GCRC split all expenses 50/50.

10 85. In response to Jim Brown's clarifying statement, Michael Vaughn became
11 visibly agitated and responded, "That is absolutely untrue!"

12 86. In response, Jaci Ulmer, the CFO of GCRC, confirmed that Western
13 Destinations and GCRC split all expenses 50/50.

14 87. On information and belief, many members of Tribal leadership intentionally
15 conspired to spread inaccuracies about the financial arrangement in the Amended
16 Agreement in order to gain support for termination of the Amended Agreement.

17 Potential Reconciliation

18 88. In September of 2012, Jim Brown met with Derrick Penney ("Mr. Penney"),
19 Chairman of the GCRC Board, to discuss the status of the business relationship between
20 Western Destinations and GCRC.

21 89. At that meeting, Jim Brown expressed his opinion that certain Tribal leaders
22 no longer wished to remain business partners with Western Destinations. Jim Brown
23 informed Mr. Penney that he supports the Hualapai Tribe and that he was amenable to an
24 early buyout of the Amended Agreement if the Tribe so desired.

25 90. Jim Brown also mentioned that if the Tribe wished to continue to be
26 business partners, he had many ideas to increase mutual profitability. Jim Brown
27 informed Mr. Penney that Western Destinations was ready to invest in further expansion
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1 at the Hualapai Ranch, including the addition of more cabins, relocation and
2 reconstruction of the barn, and the construction of a restaurant.

3 91. Jim Brown also told Mr. Penney that Western Destinations was willing to
4 allow GCRC to open a ticket sales center for Grand Canyon West (selling tickets to the
5 Skywalk and other Grand Canyon West activities) at Western Destinations' new Welcome
6 Center at the Grand Canyon's south rim in Williams, Arizona.

7 92. Jim Brown told Mr. Penney that as a gesture of goodwill and a token of his
8 continued respect and appreciation for the Hualapai people, he would allow GCRC to sell
9 Grand Canyon West tickets at Western Destinations' Welcome Center at no charge to
10 GCRC or the Tribe.

11 93. Mr. Penney seemed receptive and excited about Jim Brown's offer, and
12 asked whether Jim Brown would be willing to host the November GCRC Board meeting
13 in Williams, Arizona to get the GCRC Board on the same page and moving together in the
14 future.

15 94. Jim Brown readily agreed to host the November GCRC Board meeting.

16 95. Jim Brown and Mr. Penney agreed to schedule a follow up meeting in
17 October of 2012.

18 CEO Turner

19 96. In October of 2012, the Council appointed Jennifer Turner ("Ms. Turner")
20 as CEO of GCRC.

21 97. On information and belief, Ms. Turner joined the conspiracy to terminate
22 the Amended Agreement and take over the Hualapai Ranch.

23 98. As with Mr. Honga, Ms. Turner failed to respond to Jim Brown's attempts
24 to meet to discuss the Hualapai Ranch, as required under the Amended Agreement.

25 The Horse Incident

26 99. In October of 2012, the GCRC Board initiated an investigation into an
27 allegation that a horse was abused and euthanized on the Hualapai Ranch.

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1 100. GCRC employee Jack Ehrhardt conducted the investigation into the alleged
2 horse incident.

3 101. The horse at issue dislocated its hip coming out of a chute after getting shod.

4 102. Western Destinations immediately placed the horse under the care of both a
5 horse veterinarian and a horse chiropractor.

6 103. The horse initially responded well to treatment, but over time the horse's
7 condition became worse and its hip repeatedly became dislocated, causing the horse
8 significant pain.

9 104. The veterinarian determined that the horse was suffering and would not
10 recover.

11 105. After receiving the veterinarian's diagnosis, Jim Brown elected to have the
12 horse euthanized to prevent further suffering, and the Hualapai Police Department safely
13 and humanely euthanized the horse.

14 106. Mr. Ehrhardt prepared a report summarizing his investigation of the horse's
15 injury, care, and euthanization (the "Ehrhardt Report"). Despite repeated requests for a
16 copy of the Ehrhardt Report, GCRC never produced the Ehrhardt Report to Western
17 Destinations.

18 107. The Hualapai Police Department created a report documenting the injury to
19 the horse and the department's involvement with euthanizing the horse (the "Official
20 Report"). An accurate copy of the Official Report is attached hereto as Exhibit E.

21 108. On information and belief, the Ehrhardt Report contained significant
22 inaccuracies, incorrect allegations, and differed significantly from the Official Report.

23 109. On information and belief, Mr. Ehrhardt was directed by GCRC
24 conspirators to create a false report about the horse incident in an attempt to discredit
25 Western Destinations and manufacture a reason to terminate the Amended Agreement.

26 110. On information and belief, Ms. Turner and/or Mr. Honga (who was COO of
27 GCRC at the time of the horse incident) directed Mr. Ehrhardt to create a false report
28 about the horse incident to discredit Western Destinations.

1 111. Ms. Turner expressly represented to Jim Brown that the Ehrhardt Report
2 contained the following findings: the horse was abused, the horse was euthanized without
3 first calling in a veterinarian or chiropractor to see if the horse could be saved, and that the
4 Ehrhardt Report contained no mention of the fact that Hualapai Police officers safely and
5 humanely euthanized the horse.

6 112. In fact, the Official Report contains no allegations of abuse and clearly
7 indicates that Western Destinations called a veterinarian to examine the horse and treat the
8 horse's dislocated hip, that the veterinarian recommended euthanizing the horse because
9 of the slim likelihood of improvement, and that the Hualapai police department safely and
10 humanely euthanized the horse and removed it promptly.

11 113. On information and belief, Ms. Turner, either individually or at the direction
12 of the GCRC Board and/or the Council, falsified allegations in the Ehrhardt Report in
13 order to develop a fraudulent basis for terminating the Amended Agreement and removing
14 Western Destinations as manager of Hualapai Ranch.

15 GCRC Initiates Plan to Take Over the Hualapai Ranch

16 114. Jim Brown and Mr. Penney, chairman of the GCRC Board, scheduled a
17 meeting in October of 2012 to follow up on the topics discussed in their productive
18 September 2012 meeting.

19 115. On the morning of said October meeting, Mr. Penney cancelled the meeting
20 abruptly and without explanation. Despite many attempts to contact him, Jim Brown
21 never heard from Mr. Penney.

22 116. In October of 2012, Jim Brown attempted to schedule a meeting with GCRC
23 CFO Jaci Ulmer, but Ms. Ulmer told him that she would have to get back to him because
24 the CEO is new.

25 117. On information and belief, Ms. Turner instructed Ms. Ulmer to discontinue
26 communications with Jim Brown and Western Destinations.

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1 118. Pursuant to the Amended Agreement, Jim Brown contacted Ms. Turner on
2 numerous occasions to schedule a meeting in October and November to discuss the
3 Hualapai Ranch.

4 119. Prior to November 19, 2012, Jim Brown requested meetings with Ms.
5 Turner to discuss strategic planning for the future and to discuss capital improvements for
6 the Hualapai Ranch to be included in the 2013 Annual Capital Budget. Despite Jim
7 Brown's numerous requests to discuss these issues, Ms. Turner failed to acknowledge his
8 requests and failed to schedule any meetings with Jim Brown.

9 120. On November 19, 2012, Ms. Turner delivered a public "CEO Report" to the
10 Hualapai Tribal Nation outlining her plans for GCRC, including, in part, the following
11 action items: capital improvements to the Hualapai Ranch, add at least ten (10) new
12 cabins and two-three larger cabins with extra amenities, increase the size of the current
13 restaurant and add more entertainment options at the Hualapai Ranch, add new stores,
14 such as an ice cream/sweet shop and a fully stocked western store, and strategic planning
15 for the Hualapai Ranch (the "Action Items").

16 121. Pursuant to the Amended Agreement, all of Ms. Turner's Action Items
17 required Western Destinations' input and approval as manager of the Hualapai Ranch.

18 122. Ms. Turner failed to include Western Destinations in any discussions about
19 her proposed Action Items.

20 123. Instead, Ms. Turner presented the Action Items on November 19, 2012 as if
21 GCRC completely controlled and managed the Hualapai Ranch.

22 124. On information and belief, by November 19, 2012, Ms. Turner, GCRC and
23 other Tribal leaders conspired and decided to take action to wrongfully terminate the
24 Amended Agreement, take over management of the Hualapai Ranch, and retain all
25 earnings from Hualapai Ranch.

26 The December 13, 2012 Meeting
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1 125. After her public report, Ms. Turner contacted Jim Brown to schedule a
2 meeting for December 13, 2012, which Jim Brown attended with his employee Andy
3 Zappettini.

4 126. At the December 13, 2012 meeting, Ms. Turner hand-delivered a letter to
5 Jim Brown titled, "Notice of Events of Default and Termination" ("Default Letter"). An
6 accurate copy of the Default Letter is attached hereto as Exhibit F.

7 127. Ms. Turner informed Jim Brown that Western Destinations breached the
8 Amended Agreement, and that the Default Letter contained details of the breach and
9 instructions on how to cure the breach.

10 128. After reading the Default Letter, Jim Brown told Ms. Turner that the repairs
11 outlined in the Default Letter were capital improvements that must be included in the
12 GCRC Annual Capital Budget per the Amended Agreement. Jim Brown also pointed out
13 that the Default Letter claimed that Western Destinations is in default for failure to repair
14 or install utilities and infrastructure, which were the sole responsibilities of GCRC under
15 the Amended Agreement.

16 129. Ms. Turner responded that the GCRC Board had other reasons for
17 terminating the Amended Agreement, including allegations of animal abuse concerning a
18 horse that was euthanized before any veterinarian could determine whether the horse
19 could be saved.

20 130. Jim Brown informed Ms. Turner that the horse was humanely euthanized by
21 the Hualapai Police Department after a veterinarian reported that the horse was suffering
22 and not likely to recover.

23 131. In response, Ms. Turner said, "Frankly, the Board feels that GCRC is paying
24 you too much money just to manage the Ranch."

25 132. On information and belief, Ms. Turner's statement is the true reason for the
26 GCRC conspiracy and decision to fraudulently terminate the Amended Agreement by
27 alleging events of default – GCRC wanted to keep all profits from Hualapai Ranch for
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1 itself and deny Western Destinations its rights to management fees for the following five
2 (5) years.

3 The Alleged Events of Default

4 133. The Default Letter contained a number of allegations regarding the
5 condition of physical structures at the Hualapai Ranch, including that the entire “Project
6 [Hualapai Ranch], as constructed by the Manager [Western Destinations], is not suitable
7 for use by the Hualapai Indian Tribe or the general public.”

8 134. The Default Letter contained a list of structural repairs that are capital
9 improvements, requiring contribution from GCRC pursuant to the Amended Agreement.

10 135. The Default Letter contained “immediate action” requirements claiming
11 Western Destinations breached the Amended Agreement by failing to repair utilities and
12 infrastructure, which pursuant to the Amended Agreement are the sole responsibility of
13 GCRC.

14 136. The allegations of construction defects and immediate necessary repairs in
15 the Default Letter are vague and ambiguous, and did not provide sufficient detail to allow
16 Western Destinations to either comprehend the nature of the alleged breach or what
17 changes to Hualapai Ranch would cure the alleged events of default.

18 137. Specifically, the Default Letter required immediate repair of “All primary
19 structures,” ostensibly requiring Western Destinations to provide a “complete work plan
20 to be reviewed and approved” by GCRC followed by the complete destruction and re-
21 building of all primary structures at Hualapai Ranch.

22 138. On information and belief, GCRC intentionally drafted the events of default
23 and immediate necessary repairs in the Default Letter to be vague, ambiguous, overly
24 burdensome, and cost preventative such that Western Destinations would not be able to
25 remedy the alleged events of default by GCRC’s deadline for cure.

26 139. On information and belief, none of the alleged events of default in the
27 Default Letter were based in fact. Instead, GCRC created the Default Letter using false
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1 allegations in an improper attempt to terminate the Amended Agreement five years early
2 and allow GCRC to seize full control over Hualapai Ranch and the earnings therefrom.

3 140. On information and belief, after GCRC terminated the Amended Agreement
4 and took over management of the Hualapai Ranch in February of 2013, GCRC continued
5 to use the buildings at Hualapai Ranch that GCRC “condemned” or deemed “not suitable
6 for use by the general public” due to alleged safety concerns.

7 141. On information and belief, despite condemning the barn at the Hualapai
8 Ranch in May of 2012, after GCRC took over the Hualapai Ranch in February of 2013,
9 GCRC began using the “condemned” barn again.

10 142. GCRC continues to use the Hualapai Ranch as a tourist destination to this
11 day, including collecting fees for such tourist uses. On information and belief, despite
12 alleging that “all primary structures” at the Hualapai Ranch were not fit for public use,
13 GCRC has not cured any of the alleged construction “events of default” documented in
14 the Default Letter and now collects all profits from customers visiting and staying at the
15 Hualapai Ranch.

16 GCRC’s Intentional Breach of Good Faith

17 143. At the meeting with Ms. Turner on December 13, 2012, Jim Brown
18 requested the opportunity to address the allegations in the Default Letter with the GCRC
19 Board.

20 144. Ms. Turner stated that she would contact Jim Brown within a few days
21 regarding the date of an upcoming GCRC Board meeting, where Jim Brown could address
22 the alleged events of default.

23 145. Ms. Turner never contacted Jim Brown regarding any GCRC Board meeting
24 and never gave Jim Brown an opportunity to address the alleged events of default with the
25 GCRC Board.

26 146. On December 18, 2012, Jim Brown e-mailed Ms. Turner and stated, in part,
27 “[P]lease let me know if we are on the Board’s agenda and please give the date of the next
28 Board meeting.” Ms. Turner did not respond to said e-mail.

1 147. On December 19, 2012, Jim Brown e-mailed Ms. Turner and Mr. Penney,
2 stating, in part, “Could you please let me know ASAP as to the date of the Board meeting
3 and also due to the scope and discrepancies involved in the default notice, I am requesting
4 the delinquency date be moved to March 15th, thus giving us as a group an opportunity to
5 resolve the various issues without formal intervention.” Neither Ms. Turner nor Mr.
6 Penney responded to said e-mail.

7 148. On or about December 31, 2012, Jim Brown sent a letter to Ms. Turner, with
8 copies to the Hualapai Nation Tribal Council and Mr. Penney, specifically responding to
9 the allegations in the Default Letter (the “WD Letter”). An accurate copy of the WD
10 Letter is attached hereto as Exhibit G.

11 149. The WD Letter specifically stated that Western Destinations is ready,
12 willing and able to commence any required reconstruction pursuant to the Amended
13 Agreement, as soon as GCRC gave appropriate approval for reconstruction plans.

14 150. The WD Letter correctly stated that it is impossible for Western
15 Destinations to cure any of the alleged events of default without a proposed Annual
16 Capital Budget from GCRC.

17 151. The WD Letter specifically requested a meeting with the GCRC Board and
18 Hualapai Tribal Council as soon as possible to discuss plans for reconstruction and
19 resolution of the alleged events of default.

20 152. The WD Letter also stated, in part, “Please make no mistake: [Western
21 Destinations] prefers to resolve the alleged issues set forth in [the Default Letter] —and
22 any other issues concerning the Project—amicably and to the mutual satisfaction of the
23 parties.”

24 153. Neither GCRC nor the Council responded to the WD Letter.

25 154. On or about January 7, 2013, Jim Brown e-mailed Ms. Turner and Mr.
26 Penney and stated, in part, “I trust you received a copy of our [letter of December 31,
27 2012]. We are prepared to address each individual item that you allege on which we were
28 in default. Since I have heard nothing, it is becoming obvious that this entire notice was

1 geared for a single purpose, which was to end an enforceable contract, five years early.
2 Otherwise, how would you and the Board suggest that we address these items without a
3 meeting?" Neither Ms. Turner nor Mr. Penney sent a response to said e-mail.

4 155. On information and belief, GCRC and the Council intentionally ignored
5 Western Destinations' correspondence and notice of intent to cure and intentionally
6 refused to respond until after the passage of the thirty (30) day deadline announced in the
7 Default Letter.

8 156. On January 14, 2013, Jim Brown e-mailed Mr. Penney, with copies to Ms.
9 Turner and Council Chairwoman Sherry Counts, stating, in part, "I am reaching out to you
10 as President of the GCRC Board, as my prior correspondences consistently show, I am
11 seeking to rectify the various issues and can't seem to get any response.... I have always
12 been and remain loyal to GCRC and would love nothing more than to resolve issues and
13 move forward in the quest of achieving what is in the best interest of Hualapai Ranch."
14 Jim Brown did not receive a response to this e-mail.

15 157. In a letter to Jim Brown dated January 14, 2013 (two days *after* the
16 expiration of GCRC's cure period), Ms. Turner expressly acknowledged that she
17 "received [Jim Brown's] email dated December 19, 2012 and letter dated December 31,
18 2012."

19 158. On information and belief, despite receiving Jim Brown's correspondence
20 on the dates he wrote them, Ms. Turner waited nearly a month and intentionally refused to
21 respond to any correspondence until after the expiration of GCRC's thirty (30) day cure
22 period.

23 159. In her letter of January 14, 2013, Ms. Turner refused any extension to
24 GCRC's thirty (30) day deadline for completion of repairs and stated, "the Corporation
25 provided you thirty days (until January 12, 2013) to cure. You have neither provided us
26 notice nor informed us that you have cured any of the Events of Default. Accordingly, we
27 ... are regrettably forced to terminate the Agreement on February 1, 2013."
28

1 160. On information and belief, GCRC refused to respond to Jim Brown's
2 multiple attempts for guidance and clarification on the Default Letter because the
3 allegations in the Default Letter were not, in fact, legitimate.

4 161. On information and belief, Ms. Turner, Mr. Penney, certain members of the
5 GCRC Board, and certain members of the Council intentionally conspired to prevent
6 Western Destinations from curing the alleged events default because said conspirators did
7 not want Western Destinations to cure the alleged events of default and continue
8 managing the Hualapai Ranch.

9 162. GCRC fraudulently manufactured the allegations in the Default Letter as a
10 pretense to allow GCRC to terminate the Amended Agreement five years early and
11 deprive Western Destinations of management fees for that period of time.

12 163. GCRC's actions described herein constitute a total "Taking," as that term is
13 defined in the Amended Agreement, of Plaintiffs' contract rights.

14 164. Pursuant to Section 9.2(c) of the Amended Agreement, Town Agreement,
15 and Cabin Agreement, Plaintiffs "shall be entitled to seek compensation with respect to its
16 rights under [the Amended Agreement] in connection with any such Taking."

17 165. To date, GCRC refuses to compensate Plaintiffs for the "Taking" of
18 Plaintiffs' contract rights.

19 166. Jim Brown attempted to amicably resolve this dispute without lawyers and
20 without resulting to litigation on countless occasions by letter, e-mail, and telephone. To
21 the date of the filing of this Complaint, neither GCRC nor the Council responded to any of
22 Jim Brown's requests for a meeting and amicable resolution. Accurate copies of Jim
23 Brown's correspondence to Jennifer Turner, Sherry Counts, Carrie Imus, Derrick Penney,
24 and the entire Hualapai Tribal Council, are collectively attached hereto as Exhibit H.

25 **COUNT 1 – REQUEST TO COMPEL MANDATORY ARBITRATION**

26 167. Plaintiffs incorporate all previous allegations as though stated herein.
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1 168. Pursuant to the Agreements between Plaintiffs and Defendant, any
2 controversy, claim or dispute arising out of or related to the Agreements shall be resolved
3 through binding arbitration.

4 169. Pursuant to the Agreements, arbitration shall be conducted in accordance
5 with the Commercial Arbitration Rules of the American Arbitration Association.

6 170. The Parties agreed that the resolution of any dispute shall be conducted
7 expeditiously, and that the final disposition thereof shall be accomplished within 120 days
8 or less.

9 171. Pursuant to Article 15.11 of the Agreements, “[i]n the event of any action or
10 proceeding brought by either party against the other under this Agreement, the prevailing
11 party will be entitled to recover attorneys’ fees in such amount as the arbitrator or
12 arbitration panel may judge reasonable.”

13 172. On January 9, 2014, Plaintiffs sent an “Arbitration Notice” to GCRC
14 pursuant to the Agreements.

15 173. To date, GCRC refuses to attend a mandatory arbitration regarding the
16 dispute described herein.

17
18 **COUNT 2 – REQUEST FOR ACCOUNTING AND AUDIT OF BOOKS AND**
19 **RECORDS RELATED TO OPERATION OF HUALAPAI RANCH**

20 174. Plaintiffs incorporate all previous allegations as though stated herein.

21 175. Pursuant to Article 4.1 of the Agreements between Plaintiffs and Defendant,
22 “[t]he books of account and all other records relating to or reflecting the operation of the
23 Project [the Hualapai Ranch] shall be kept at the offices of GCRC and shall be available
24 to Manager [Plaintiffs] and its representatives and its auditors or accountants, at all
25 reasonable times and upon reasonable notice for examination, audit, inspection, copying
26 and transcription.”
27
28

1 176. Pursuant to Article 4.4 of the Agreements between Plaintiffs and Defendant,
2 [a]t any time within two years after the end of a Fiscal Year, Manager [Plaintiffs] may
3 cause an audit of the books and records of the Project [Hualapai Ranch] to be made....”

4 177. On January 9, 2014, Plaintiffs requested a complete accounting and audit, at
5 Plaintiffs’ expense, of all books of account and all other records relating to or reflecting
6 the operation of the Project, including the Annual Operations Statement for the past two
7 Fiscal Years.

8 178. To date, GCRC refuses to provide an accounting or access to all books of
9 account and other records relating to or reflecting the operation of the Hualapai Ranch.

10 179. To date, GCRC refuses to make available all records for an audit of the past
11 two Fiscal Years.

12 **COUNT 3 – BREACH OF CONTRACT**

13 **(AMENDED AGREEMENT)**

14 180. Plaintiffs incorporate all previous allegations as though stated herein.

15 181. The Amended Agreement is a valid and enforceable contract.

16 182. Defendant GCRC breached the Amended Agreement when it intentionally
17 terminated the Amended Agreement five (5) years early without just cause.

18 183. Defendant GCRC breached the Amended Agreement by failing to make
19 payments to Plaintiffs pursuant to the Amended Agreement.

20 184. GCRC breached the Amended Agreement when it improperly removed
21 Plaintiffs as manager of Hualapai Ranch by its actions, including but not limited to the
22 conspiracy to remove Plaintiffs, the manufactured and inaccurate Default Letter, and
23 GCRC’s actions thereafter in intentionally refusing to respond to Plaintiffs’ notice of
24 intent to cure and request for approval to begin repairs.

25 185. GCRC breached the Amended Agreement when it failed to provide
26 Plaintiffs with an Annual Capital Budget for GCRC, which would encompass the capital
27 improvements GCRC named in the Default Letter.

28

1 186. GCRC breached the Amended Agreement by intentionally refusing to meet
2 with Jim Brown, as manager, to discuss capital improvements and profitability of
3 Hualapai Ranch.

4 187. GCRC breached the Amended Agreement by "Taking" Plaintiffs' contract
5 rights without any compensation whatsoever.

6 188. Pursuant to Section 9.2(c) of the Amended Agreement, Plaintiffs "shall be
7 entitled to seek compensation with respect to its rights under [the Amended Agreement] in
8 connection with any such Taking."

9 189. Plaintiffs suffered damages as a result of Defendant's breach in an amount
10 to be proven at trial.

11 190. Pursuant to Arizona Revised Statute §§ 12-341.01 and 12-341, and express
12 provisions in the Amended Agreement, Plaintiffs are entitled to its reasonable attorneys'
13 fees and costs.

14 **COUNT 4 – BREACH OF IMPLIED COVENANT**
15 **OF GOOD FAITH AND FAIR DEALING**
16 **(AMENDED AGREEMENT)**

17 191. Plaintiffs incorporate all previous allegations as though stated herein.

18 192. The law implies a covenant of good faith and fair dealing in every contract.

19 193. GCRC breached the implied covenant of good faith and fair dealing when it
20 terminated the Amended Agreement in bad faith, denying Plaintiffs the reasonably
21 expected benefits of the Amended Agreement.

22 194. GCRC breached the implied covenant of good faith and fair dealing when it
23 conspired with other Tribal leaders to remove Plaintiffs as manager of Hualapai Ranch,
24 denying Plaintiffs of the reasonably expected benefits of the Amended Agreement.

25 195. GCRC breached the implied covenant of good faith and fair dealing when it
26 intentionally refused to respond to any of Plaintiffs' notices of intent to cure the alleged
27 events of default until GCRC's deadline for cure expired, depriving the Plaintiffs of the
28 reasonably expected benefits of the Amended Agreement.

1 196. GCRC breached the implied covenant of good faith and fair dealing when it
2 actively prevented Plaintiffs from curing the alleged events of default in the Default Letter
3 by denying approval and/or discussion of specific immediate repairs and capital
4 improvements.

5 197. GCRC breached the implied covenant of good faith and fair dealing when it
6 intentionally refused to respond to Plaintiffs' notice of being ready, willing, and able to
7 commence repair of each alleged event of default, depriving the Plaintiffs of the
8 reasonably expected benefits of the Amended Agreement.

9 198. GCRC breached the implied covenant of good faith and fair dealing when it
10 intentionally refused to provide Plaintiffs with an Annual Capital Budget containing plans
11 for repairs to the Hualapai Ranch and then used the failure to make capital improvements
12 as a reason to terminate the Amended Agreement, depriving the Plaintiffs of the
13 reasonably expected benefits of the Amended Agreement.

14 199. GCRC breached the implied covenant of good faith and fair dealing by
15 "Taking" Plaintiffs' contract rights without any compensation whatsoever, depriving the
16 Plaintiffs of the reasonably expected benefits of the Amended Agreement.

17 200. As a result of GCRC's breaches of the implied covenant of good faith and
18 fair dealing, Plaintiffs suffered damages in an amount to be proven at trial.

19 201. Pursuant to Arizona Revised Statute §§ 12-341.01 and 12-341 and express
20 provisions of the Amended Agreement, Plaintiffs are entitled to its reasonable attorneys'
21 fees and costs.

22 **COUNT 5 – FRAUD**

23 **(INDUCEMENT OF AMENDED AGREEMENT)**

24 202. Plaintiffs incorporate all previous allegations as though stated herein.

25 203. GCRC represented to Plaintiffs that its removal of the arbitration and waiver
26 of sovereign immunity sections included in the Town and Cabin Agreements was a
27 political move, and GCRC would honor the Amended Agreement and never utilize
28 sovereign immunity as a defense to GCRC's breach of contract (the "Sovereign Immunity

1 Misrepresentation”).

2 204. The Sovereign Immunity Misrepresentation was false, as GCRC intended to
3 terminate the Amended Agreement at will and use the defense of sovereign immunity to
4 strip Plaintiffs of the right to seek remedy for GCRC’s breach.

5 205. The Sovereign Immunity Misrepresentation, both by GCRC and the
6 Council, was a material factor in Plaintiffs’ decision to execute the Amended Agreement.

7 206. GCRC and the Council intended by the Sovereign Immunity
8 Misrepresentation to induce Plaintiffs to enter into the Amended Agreement instead of
9 continuing to be bound by the Town and Cabin Agreements, which both contained a
10 waiver of sovereign immunity and arbitration provisions.

11 207. Plaintiffs were unaware of the falsity of the Sovereign Immunity
12 Misrepresentation and Defendants’ nefarious intent.

13 208. Plaintiffs relied on the Sovereign Immunity Misrepresentation in electing to
14 execute the Amended Agreement.

15 209. Plaintiffs were entitled to rely on the Sovereign Immunity
16 Misrepresentation.

17 210. Plaintiffs’ reliance on the Sovereign Immunity Misrepresentation exposed
18 Plaintiffs to the risk of loss of any remedy for GCRC’s knowing and intentional breach of
19 the Amended Agreement.

20 211. Defendants thus committed fraud against Plaintiffs, and as a result of
21 Defendants’ fraud, Plaintiffs’ suffered damages in an amount to be proven at trial.

22 **COUNT 6 – FRAUD**

23 **(HORSE INCIDENT)**

24 212. Plaintiffs incorporate all previous allegations as though stated herein.

25 213. Ms. Turner represented to Plaintiffs’ that the GCRC Board commissioned
26 an investigation into the horse incident, described above, and concluded that the horse was
27 abused and euthanized before a veterinarian could examine the horse, which constituted
28 an event of default under the Amended Agreement and a reason for GCRC’s termination

1 of the Amended Agreement (the “Horse Misrepresentation”).

2 214. As clearly documented in the Official Report, the Horse Misrepresentation
3 was false. See Exhibit E.

4 215. GCRC represented that the Horse Misrepresentation was a material reason
5 for GCRC’s termination of the Amended Agreement.

6 216. GCRC knew, or should have known through reasonable investigation, that
7 the Official Report expressly contradicted the Horse Misrepresentation.

8 217. Despite knowing the falsity of the Horse Misrepresentation, GCRC relied
9 upon it to terminate the Amended Agreement, which deprived Plaintiffs of all reasonably
10 expected benefits under the Amended Agreement.

11 218. GCRC representatives knowingly and fraudulently claimed that the Horse
12 Misrepresentation was true in order to garner Tribal and GCRC Board support for its
13 decision to illegally terminate the Amended Agreement.

14 219. On information and belief, Tribal members and certain GCRC Board
15 members did not know that the Horse Misrepresentation was false and relied upon
16 GCRC’s representation.

17 220. As a result of the Horse Misrepresentation, the GCRC Board decided to
18 terminate the Amended Agreement, and Tribal members supported the decision.

19 221. As a result of GCRC’s fraud, Plaintiffs suffered damages in an amount to be
20 determined at trial.

21 **COUNT 7 – FRAUD**

22 **(ALLEGED EVENTS OF DEFAULT)**

23 222. Plaintiffs incorporate all previous allegations as though stated herein.

24 223. The Default Letter contains numerous representations of alleged events of
25 default that GCRC knew were false and/or not the responsibility of Plaintiffs to repair.
26 Specifically, the Default Letter represents that Plaintiffs were required to make capital
27 improvements and repairs and improvements to utilities and infrastructure that were not
28 the sole responsibility of Plaintiffs (the “Repairs Misrepresentation”).

1 224. GCRC claimed in the Default Letter that the Repairs Misrepresentation was
2 a material breach of the Amended Agreement.

3 225. GCRC representatives knew that the Repairs Misrepresentation was false at
4 the time it sent the Default Letter.

5 226. GCRC representatives intended for other GCRC Board members and Tribal
6 membership to rely upon the Repairs Misrepresentation to support termination of the
7 Amended Agreement.

8 227. On information and belief, Tribal members and certain GCRC Board
9 members did not know that the Repairs Misrepresentation was false and relied upon
10 GCRC's representation.

11 228. As a result of the Repairs Misrepresentation, the GCRC Board decided to
12 terminate the Amended Agreement, and Tribal members supported the decision.

13 229. As a result of GCRC's fraud, Plaintiffs suffered damages in an amount to
14 be determined at trial.

15 **COUNT 8 – CIVIL CONSPIRACY**

16 230. Plaintiffs incorporate all previous allegations as though stated herein.

17 231. Certain GCRC and Council members agreed and planned to make the
18 Sovereign Immunity Misrepresentation, Horse Misrepresentation, and Repairs
19 Misrepresentation to complete a fraud upon Plaintiffs as described above.

20 232. GCRC and Council members proceeded to make the Sovereign Immunity
21 Misrepresentation, inducing Plaintiffs to enter the Amended Agreement, thereby
22 committing a fraud on Plaintiffs as described above.

23 233. GCRC and Council members proceeded to make the Horse
24 Misrepresentation, thereby committing a fraud on Plaintiffs as described above.

25 234. GCRC and Council members proceeded to make the Repairs
26 Misrepresentation, thereby committing a fraud on Plaintiffs as described above.

27 235. GCRC and the Council members succeeded in their conspiracy, first
28 inducing Plaintiffs to enter the Amended Agreement and then fraudulently convincing the

1 GCRC Board to terminate the Amended Agreement in bad faith.

2 236. As a result of the conspiracy to defraud, Plaintiffs suffered damages in an
3 amount to be determined at trial.

4 **COUNT 9 – UNJUST ENRICHMENT**

5 237. Plaintiffs incorporate all previous allegations as though stated herein.

6 238. Plaintiffs' construction of the Hualapai Ranch enriched GCRC.

7 239. In return for the investment and construction of the Hualapai Ranch,
8 Plaintiffs received management and profit-sharing rights until 2017.

9 240. GCRC's bad faith removal of Plaintiffs as manager of Hualapai Ranch
10 functioned to enrich GCRC and impoverish Plaintiffs in the amount of profits Plaintiffs
11 would have earned for management fees for five (5) years.

12 241. GCRC's enrichment and Plaintiffs' impoverishment are directly connected,
13 as GCRC benefits from the construction of the Hualapai Ranch and now collects and
14 retains funds owed to Plaintiffs.

15 242. GCRC had no just cause for its actions described above.

16 243. Plaintiffs have no legal remedy for GCRC's enrichment at Plaintiffs'
17 expense and Plaintiffs' resulting impoverishment.

18 244. Plaintiffs have been damaged, and GCRC unjustly enriched, in an amount to
19 be proven at trial.

20 **COUNT 10 – RESCISSION OF AMENDED AGREEMENT**

21 **(ALTERNATIVE REMEDY)**

22 245. Plaintiffs incorporate all previous allegations as though stated herein.

23 246. Plaintiffs and GCRC were in privity of contract, by and through the Town
24 and Cabin Agreements.

25 247. GCRC fraudulently induced Plaintiffs to enter into the Amended Agreement
26 by the Sovereign Immunity Misrepresentation and reasons stated above.

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1 248. Plaintiffs entered into the Amended Agreement due, in large part, to
2 GCRC's express representations that GCRC and/or the Tribe would not rely on the
3 defense of sovereign immunity to any claim for breach of the Amended Agreement.

4 249. As alternative relief to its claims under the Amended Agreement, Plaintiffs
5 rescind the Amended Agreement and notify GCRC by this Complaint.

6 250. Plaintiff will return the benefits of the Amended Agreement to GCRC, after
7 accounting for amounts owed to Plaintiffs under the Town and Cabin Agreements.

8 251. Plaintiff has no adequate remedy at law to address the Sovereign Immunity
9 Misrepresentation.

10 252. As an alternative remedy to Count 1 above, Plaintiffs ask that the Amended
11 Agreement be rescinded, that the Town and Cabin Agreements be deemed valid and
12 enforceable, and that Plaintiffs are entitled to damages for the following breaches.

13 **COUNT 11 – BREACH OF CONTRACT**

14 **(TOWN AGREEMENT)**

15 253. Plaintiffs incorporate all previous allegations as though stated herein.

16 254. The Town Agreement is a valid and enforceable contract.

17 255. Defendant GCRC breached the Town Agreement when it intentionally
18 terminated the Agreement without just cause.

19 256. Defendant GCRC breached the Town Agreement by failing to make
20 payments to Plaintiffs pursuant to the Town Agreement.

21 257. GCRC breached the Town Agreement when it improperly removed
22 Plaintiffs as manager of Hualapai Ranch by its actions, including but not limited to the
23 conspiracy to remove Plaintiffs, the manufactured and inaccurate Default Letter, and
24 GCRC's actions thereafter in intentionally refusing to respond to Plaintiffs' notice of
25 intent to cure and request for approval to begin repairs.

26 258. GCRC breached the Town Agreement when it failed to provide Plaintiffs
27 with an Annual Capital Budget for GCRC, which would encompass the capital
28 improvements GCRC named in the Default Letter.

1 259. GCRC breached the Town Agreement by intentionally refusing to meet with
2 Jim Brown, as manager, to discuss capital improvements and profitability of Hualapai
3 Ranch.

4 260. GCRC breached the Town Agreement by "Taking" Plaintiffs' contract
5 rights without any compensation whatsoever.

6 261. Pursuant to Section 9.2(c) of the Town Agreement, Plaintiffs "shall be
7 entitled to seek compensation with respect to its rights under [the Town Agreement] in
8 connection with any such Taking."

9 262. Plaintiffs suffered damages as a result of Defendant's breach in an amount
10 to be proven at trial.

11 263. Pursuant to Arizona Revised Statute §§ 12-341.01 and 12-341, and express
12 provisions in the Town Agreement, Plaintiffs are entitled to its reasonable attorneys' fees
13 and costs.

14 **COUNT 12 – BREACH OF CONTRACT**
15 **(CABIN AGREEMENT)**

16 264. Plaintiffs incorporate all previous allegations as though stated herein.

17 265. The Cabin Agreement is a valid and enforceable contract.

18 266. Defendant GCRC breached the Cabin Agreement when it intentionally
19 terminated the Cabin Agreement seven (7) years early without just cause.

20 267. Defendant GCRC breached the Cabin Agreement by failing to make
21 payments to Plaintiffs pursuant to the Cabin Agreement.

22 268. GCRC breached the Cabin Agreement when it improperly removed
23 Plaintiffs as manager of Hualapai Ranch by its actions, including but not limited to the
24 conspiracy to remove Plaintiffs, the manufactured and inaccurate Default Letter, and
25 GCRC's actions thereafter in intentionally refusing to respond to Plaintiffs' notice of
26 intent to cure and request for approval to begin repairs.

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1 269. GCRC breached the Cabin Agreement when it failed to provide Plaintiffs
2 with an Annual Capital Budget for GCRC, which would encompass the capital
3 improvements GCRC named in the Default Letter.

4 270. GCRC breached the Cabin Agreement by intentionally refusing to meet with
5 Jim Brown, as manager, to discuss capital improvements and profitability of Hualapai
6 Ranch.

7 271. GCRC breached the Cabin Agreement by "Taking" Plaintiffs' contract
8 rights without any compensation whatsoever.

9 272. Pursuant to Section 9.2(c) of the Cabin Agreement, Plaintiffs "shall be
10 entitled to seek compensation with respect to its rights under [the Cabin Agreement] in
11 connection with any such Taking."

12 273. Plaintiffs suffered damages as a result of Defendant's breach in an amount
13 to be proven at trial.

14 274. Pursuant to Arizona Revised Statute §§ 12-341.01 and 12-341, and express
15 provisions in the Cabin Agreement, Plaintiffs are entitled to its reasonable attorneys' fees
16 and costs.

17 **COUNT 13 – BREACH OF IMPLIED COVENANT**
18 **OF GOOD FAITH AND FAIR DEALING**
19 **(TOWN AGREEMENT)**

20 275. Plaintiffs incorporate all previous allegations as though stated herein.

21 276. The law implies a covenant of good faith and fair dealing in every contract.

22 277. GCRC breached the implied covenant of good faith and fair dealing when it
23 terminated the Town Agreement in bad faith, denying Plaintiffs the reasonably expected
24 benefits of the Town Agreement.

25 278. GCRC breached the implied covenant of good faith and fair dealing when it
26 conspired with other Tribal leaders to remove Plaintiffs as manager of Hualapai Ranch,
27 denying Plaintiffs of the reasonably expected benefits of the Town Agreement.
28

1 279. GCRC breached the implied covenant of good faith and fair dealing when it
2 intentionally refused to respond to any of Plaintiffs' notices of intent to cure the alleged
3 events of default until GCRC's deadline for cure expired, depriving the Plaintiffs of the
4 reasonably expected benefits of the Town Agreement.

5 280. GCRC breached the implied covenant of good faith and fair dealing when it
6 actively prevented Plaintiffs from curing the alleged events of default in the Default Letter
7 by denying approval and/or discussion of specific immediate repairs and capital
8 improvements.

9 281. GCRC breached the implied covenant of good faith and fair dealing when it
10 intentionally refused to respond to Plaintiffs' notice of being ready, willing, and able to
11 commence repair of each alleged event of default, depriving the Plaintiffs of the
12 reasonably expected benefits of the Town Agreement.

13 282. GCRC breached the implied covenant of good faith and fair dealing when it
14 intentionally refused to provide Plaintiffs with an Annual Capital Budget containing plans
15 for repairs to the Hualapai Ranch and then used the failure to make capital improvements
16 as a reason to terminate the Town Agreement, depriving the Plaintiffs of the reasonably
17 expected benefits of the Town Agreement.

18 283. GCRC breached the implied covenant of good faith and fair dealing by
19 "Taking" Plaintiffs' contract rights without any compensation whatsoever, depriving the
20 Plaintiffs of the reasonably expected benefits of the Town Agreement.

21 284. As a result of GCRC's breaches of the implied covenant of good faith and
22 fair dealing, Plaintiffs suffered damages in an amount to be proven at trial.

23 285. Pursuant to Arizona Revised Statute §§ 12-341.01 and 12-341 and express
24 provisions of the Town Agreement, Plaintiffs are entitled to its reasonable attorneys' fees
25 and costs.

26 **COUNT 14 – BREACH OF IMPLIED COVENANT OF**
27 **GOOD FAITH AND FAIR DEALING**

28 (CABIN AGREEMENT)

1 286. Plaintiffs incorporate all previous allegations as though stated herein.

2 287. The law implies a covenant of good faith and fair dealing in every contract.

3 288. GCRC breached the implied covenant of good faith and fair dealing when it
4 terminated the Cabin Agreement in bad faith, denying Plaintiffs the reasonably expected
5 benefits of the Cabin Agreement.

6 289. GCRC breached the implied covenant of good faith and fair dealing when it
7 conspired with other Tribal leaders to remove Plaintiffs as manager of Hualapai Ranch,
8 denying Plaintiffs of the reasonably expected benefits of the Cabin Agreement.

9 290. GCRC breached the implied covenant of good faith and fair dealing when it
10 intentionally refused to respond to any of Plaintiffs' notices of intent to cure the alleged
11 events of default until GCRC's deadline for cure expired, depriving the Plaintiffs of the
12 reasonably expected benefits of the Cabin Agreement.

13 291. GCRC breached the implied covenant of good faith and fair dealing when it
14 actively prevented Plaintiffs from curing the alleged events of default in the Default Letter
15 by denying approval and/or discussion of specific immediate repairs and capital
16 improvements.

17 292. GCRC breached the implied covenant of good faith and fair dealing when it
18 intentionally refused to respond to Plaintiffs' notice of being ready, willing, and able to
19 commence repair of each alleged event of default, depriving the Plaintiffs of the
20 reasonably expected benefits of the Cabin Agreement.

21 293. GCRC breached the implied covenant of good faith and fair dealing when it
22 intentionally refused to provide Plaintiffs with an Annual Capital Budget containing plans
23 for repairs to the Hualapai Ranch and then used the failure to make capital improvements
24 as a reason to terminate the Cabin Agreement, depriving the Plaintiffs of the reasonably
25 expected benefits of the Cabin Agreement.

26 294. GCRC breached the implied covenant of good faith and fair dealing by
27 "Taking" Plaintiffs' contract rights without any compensation whatsoever, depriving the
28 Plaintiffs of the reasonably expected benefits of the Cabin Agreement.

1 295. As a result of GCRC's breaches of the implied covenant of good faith and
2 fair dealing, Plaintiffs suffered damages in an amount to be proven at trial.

3 296. Pursuant to Arizona Revised Statute §§ 12-341.01 and 12-341 and express
4 provisions of the Cabin Agreement, Plaintiffs are entitled to its reasonable attorneys' fees
5 and costs.

6 **WHEREFORE**, Plaintiffs respectfully pray for judgment against the Defendant
7 jointly and severally as follows:

8 A. That the Court issue an Order compelling Defendant to attend and
9 participate in mandatory arbitration.

10 B. That the Court issue an Order directing Defendant to make available all
11 books of account and other records relating to or reflecting the operation of the Hualapai
12 Ranch to Plaintiffs and its representatives and its auditors or accountants, upon reasonable
13 notice for examination, audit, inspection, copying and transcription.

14 C. That the Court award Plaintiffs any and all damages arising from
15 Defendant's breaches of contracts, breaches of the implied covenant of good faith and fair
16 dealing, fraud, civil conspiracy and/or unjust enrichment in an amount to be proven at
17 trial;

18 D. That the Court award Plaintiff its taxable costs and attorney's fees incurred
19 in this action pursuant to A.R.S. §§ 12-341 and 12-341.01 and the applicable Agreements;

20 E. That the Court award Plaintiff pre-judgment and post-judgment interest on
21 all damages awarded to Plaintiff at the highest rate permitted by law; and

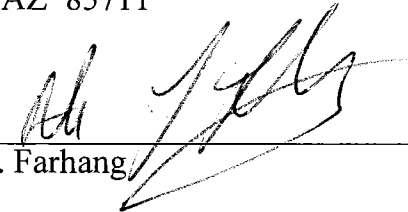
22 F. That the Court award any further relief it deems just and proper.

23
24 RESPECTFULLY SUBMITTED this 13th day of January, 2014.

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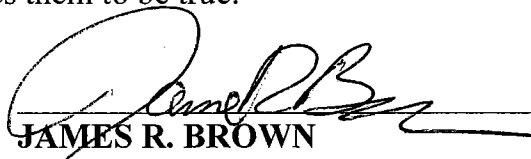
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V E R I F I C A T I O N

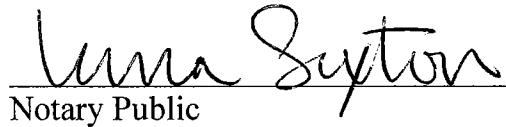
STATE OF ARIZONA)
)
County of Maricopa) ss.

James R. Brown, being first duly sworn, on oath, deposes and says:

That he is the manager of Plaintiff WD AT THE CANYON, LLC in the above entitled and numbered cause; that he has read the foregoing Verified Complaint and knows the contents thereof; and that the matters and things therein stated are true to his own knowledge, except as to those matters therein stated upon his information and belief, and as to those matters he believes them to be true.


JAMES R. BROWN

SUBSCRIBED AND SWORN TO before me this 10th day of January 2014, by James R. Brown.


Notary Public

My Commission Expires: 11/30/2015

