

1 John M. Peebles (SBN 237582)
2 Steven J. Bloxham (SBN 96384)
3 James Qaquadah (SBN 270700)
4 Fredericks Peebles & Morgan LLP
5 2020 L Street, Suite 250
6 Sacramento, CA 95811
7 Telephone: (916) 441-2700
8 Facsimile: (916) 441-2067
9 jpeebles@ndnlaw.com

10 *Attorneys for Defendant*
11 Picayune Rancheria of Chukchansi Indians
12 (Reid Council)

13 **UNITED STATES DISTRICT COURT**
14 **FOR THE EASTERN DISTRICT OF CALIFORNIA**
15 **FRESNO DIVISION**

16 STATE OF CALIFORNIA,

17 Plaintiff,

18 v.

19 PICAYUNE RANCHERIA OF CHUKCHANSI
20 INDIANS, a federally recognized Indian tribe,

21 Defendants.

Case No. 14-cv-01593-LJO-SAB

22 **MEMORANDUM OF POINTS AND**
23 **AUTHORITIES IN SUPPORT OF**
24 **REID COUNCIL'S MOTION FOR**
25 **ORDER TO SHOW CAUSE;**
26 **REQUEST FOR ACCOUNTING;**
27 **AND REQUEST FOR**
28 **RECEIVERSHIP**

Date:

Time:

Ctrm: 4

Judge: Lawrence J. O'Neill

I. Introduction

The Lewis/Ayala Faction admits to violating this Court’s unambiguous Temporary Restraining Order and Preliminary Injunction Order. In response, the Lewis/Ayala Faction does not dispute that it violated the Court’s Orders, but rather provides arguments regarding its intent.

Intent is irrelevant to whether a Court should order civil contempt. *Donovan v. Mazzola*, 716 F.2d 1226, 1240 (9th Cir. 1983). Accordingly, the Lewis/Ayala Faction’s violations of the Court’s Orders warrant contempt against the Lewis/Ayala Faction, and its individual members, regardless of the Lewis/Ayala Faction’s intent. Moreover, the Lewis/Ayala Faction’s justifications are unavailing, and the facts reveal that the Lewis/Ayala Faction and its members knowingly and intentionally violated this Court’s Orders. Accordingly, criminal contempt may be appropriate.

In its motion, the Reid Council openly conceded that additional potential violations identified were based on information and belief, as well as reports from Tribal members. The Lewis/Ayala Faction does not dispute the alleged additional violations, but instead argues that the Reid Council does not have admissible evidence of those potential violations. It is for this reason that the Reid Council requests a full accounting. Finally, appointment of a receiver in this case would promote IGRA’s purposes, and is an appropriate and equitable method to protect the Casino’s assets.

II. Argument

A. The Lewis/Ayala Faction admitted to violating the Court’s Order in two separate ways and therefore contempt is appropriate.

In its Response, the Lewis/Ayala Faction admitted to and provided further evidence confirming that the Lewis/Ayala Faction refused to distribute equal per capita payments to approximately 151 Tribal members. *See* Michael Wynn Declaration. The Lewis/Ayala Faction additionally admitted that it spent close to \$1 million dollars of Casino revenues on a publicity stunt – depicted as a “tribal meeting” – staged by the Lewis/Ayala Faction on January 24, 2015.

Both of these undisputed actions constitute violations of the Court’s explicit instructions. Accordingly, a contempt order is appropriate against the Lewis/Ayala Faction.

1. The Lewis/Ayala Faction admitted to violating the Court’s explicit instruction that all per capita distributions must be made in equal amounts

1 **to all Tribal members as of December 1, 2010.**

2 As the Reid Council previously established, this Court's instructions were unambiguous and
3 repeatedly clarified by the parties and the Court: any faction that made any distribution of Tribal funds
4 or Casino revenues must make such distributions to "the 2010 list, in equal amounts." Transcript of
5 Proceedings, *California v. Picayune Rancheria of Chukchansi Indians*, No. 14-cv-01593-LJO, at 87:8-
6 14 (Oct. 15, 2010) ["*October 15 Transcript*"]. The Lewis/Ayala Faction admits that it has issued four
7 per capita payments since this Court's Orders and, each time it withheld distribution to at least 151
8 Tribal members.¹ These four violations are therefore undisputed. Accordingly, civil contempt is
9 appropriate regardless of the Lewis/Ayala Faction's intent.

10 However, given the Lewis/Ayala Faction's knowing and intentional violation of this Court's
11 unambiguous Order, criminal contempt may also be appropriate. As discussed above, this Court's
12 Orders are unambiguous. In addition, counsel for each of the three Tribal factions had ample
13 opportunity to inquire or clarify into the meaning of the Court's Orders. With this knowledge and
14 understanding, the Lewis/Ayala Faction knowingly chose to disregard the Court's Order.

15 The Lewis/Ayala Faction justifies its knowing violation of this Court's Order by asserting that
16 it disagrees with this Court's explicit instructions. The Lewis/Ayala Faction asserts its own legal
17 position that per capita payments to the entire Tribal membership might violate the Tribe's Revenue
18 Allocation Plan ("RAP"). In fact, it is the Lewis/Ayala Faction's distribution of per capita payments to
19 only part of the Tribal membership that constitutes a violation of the RAP.²

20 Nonetheless, if the Lewis/Ayala Faction disagreed with the Court's Order or reasoning, it had
21 ample opportunity to seek an amendment of the Order. In fact, on November 19, 2014, the
22 Lewis/Ayala Faction informed the Court that it intended to seek such a modification – though it never

23 _____
24 ¹ The Lewis/Ayala Faction asserts that it did not have a 2010 Tribal membership list. However, at the same time, the
25 Lewis/Ayala Faction describes that it had a list of 959 Tribal members, all of whom were members as of 2010, but 151 of
26 whom the Lewis/Ayala Faction refuses to acknowledge as Tribal members. Thus, the Lewis/Ayala Faction knowingly
27 refused to distribute per capita payments to individuals it knows to be on the December 1, 2010 membership list.

28 ² The Lewis/Ayala Faction's assertion is based on its belief that its purported disenrollments of approximately 151 Tribal
members during 2012 were valid. However, no action taken by the Lewis/Ayala Faction after December 2011 was valid,
and that is the heart of the intra-Tribal dispute. Furthermore, no entity has recognized the Lewis/Ayala Faction's purported
disenrollments, including the Department of the Interior or any court. Therefore, those 151 individuals must be considered
Tribal members unless the Lewis/Ayala Faction can establish otherwise. That was the purpose of this Court's instruction –
to preserve the membership status quo as of 2010.

1 did seek such modification. ECF No. 55, at p. 4. The Lewis/Ayala Faction therefore understood the
 2 proper mechanism to request a modification of the Order. Instead, the Lewis/Ayala Faction chose to
 3 knowingly disregard this Court's instructions. For this reason, contempt is appropriate.

4 **2. The Lewis/Ayala Faction admitted to violating this Court's Order by**
 5 **spending a discretionary \$1 million payment of Casino revenues.**

6 The Court's Orders prohibit discretionary payments to any single Tribal faction claiming to be
 7 the duly constituted tribal council or claiming control over tribal matters. Preliminary Injunction Order
 8 (ECF No. 48), at 9. Despite this explicit prohibition, the Lewis/Ayala Faction admits that it received a
 9 payment of \$993,853.00 from the Casino in January 2015. Wynn Declaration, ECF No. 61-1, ¶ 17.
 10 This discretionary payment constitutes an additional knowing violation of this Court's Order.

11 Further, the Lewis/Ayala Faction fails to account for how or whether it spent the entire
 12 \$993,853.00 of Casino monies, or whether it kept a portion of that amount for its own purposes.³

13 In its response, the Lewis/Ayala Faction argued that the nearly \$1 million discretionary
 14 payment of Casino revenues was not a violation of this Court's Order for two reasons: (1) at least a
 15 part of that payment of Casino revenues was used for a "General Council meeting" in the ordinary
 16 course of business; and (2) the "tribal meeting" was conducted at the urging of the National Indian
 17 Gaming Commission. Both of these statements are false and do not justify violating the Order.

18 **a) The Lewis/Ayala Faction's "meeting" was not in the ordinary course**
 19 **of Tribal business.**

20 Even if the Lewis/Ayala Faction's "meeting" had been a real tribal meeting, it was not
 21 conducted in the ordinary course of business. First, in the ordinary course of business, Tribal members
 22 are not paid to attend and vote in General Council meetings. Declaration of Morris Reid in Support of
 23 Reply ("Reid Reply Decl."), at ¶ 7. In fact, in the Tribe's history, the only times Tribal members have
 24 been paid to attend anything called a "tribal meeting" has been during the current intra-Tribal dispute

25 ³ The Reid Council notes that the Lewis/Ayala Faction may have placed a portion of this Casino revenue payment into its
 26 own account in order to retroactively portray that it had withheld the 151 Tribal members' per capita distributions "in
 27 escrow." The Lewis/Ayala Faction provided an account balance for a single day, which was after the Lewis/Ayala Faction
 28 received the nearly \$1 million discretionary payment of Casino revenues. Only a full accounting of the Lewis/Ayala
 Faction's account will reveal whether the Lewis/Ayala Faction truthfully withheld per capita payments for Tribal members
 who it refused to pay in violation of this Court's Order. Further, if this Court determines that a modification of its Order is
 warranted to place the withheld per capita and "stipend" payments in escrow, the Reid Council respectfully requests that
 this Court order the withheld payments in a separate Escrow Account, rather than a Lewis/Ayala Faction account.

1 when one faction has needed the appearance of the membership's blessing for its actions. Reid Reply
 2 Decl., at ¶¶ 7-8. The only Tribal faction who has paid Tribal members in order to attend its meetings is
 3 the Lewis/Ayala Faction. Reid Reply Decl., at ¶ 7. Even then, the Lewis/Ayala Faction has only paid
 4 Tribal members to attend three out of several of its "General Council meetings" over the course of
 5 three years. Reid Reply Decl., at ¶¶ 7, 9.

6 In addition, in the ordinary course of business, Tribal meetings are held at the Tribe's Casino.
 7 Reid Reply Decl., at ¶ 10. In fact, the Lewis/Ayala Faction has held several "meetings" at the Tribe's
 8 Casino since the Casino closed. Declaration of Dora Jones ("Jones Decl."), at ¶ 3. When a large
 9 number of Tribal members are expected, meetings have been held in the Casino parking garage. Reid
 10 Reply Decl., at ¶ 10. Instead of acting consistent with the ordinary course of business, the
 11 Lewis/Ayala Faction conducted its January 24, 2015 "meeting" at a meeting hall in Fresno, California.
 12 Reid Reply Decl., at ¶ 11 & Exhibit A. The Lewis/Ayala Faction therefore expended an additional but
 13 unknown amount of Casino revenues on conducting its January 24, 2015 "meeting."

14 Accordingly, the approximately \$1 million of Casino revenues paid to the Lewis/Ayala Faction
 15 to fund its January 24, 2015 "meeting" was not an expense in the ordinary course of business.

16 ***b) The January 24 "meeting" was not a real General Council meeting.***

17 The Lewis/Ayala Faction has attempted to tout its January 24, 2015 "meeting" as a non-
 18 partisan opportunity for the Tribal membership to choose a solution to the on-going Tribal leadership
 19 dispute. However, the meeting was not held by all three factions in a non-partisan manner. Rather, the
 20 Lewis/Ayala Faction's meeting was a tightly orchestrated, but thinly veiled, publicity stunt intended to
 21 give the Lewis/Ayala Faction the appearance of legitimacy.

22 First, the Lewis/Ayala Faction does not have any authority to call and conduct any Tribal
 23 meeting; at best, its authority to do so is far from established. In addition, pursuant to the Tribe's
 24 Constitution and ordinary course of past practice, General Council meetings are conducted and
 25 facilitated by the General Council membership itself. Reid Reply Decl., at ¶ 4. Even when the Tribe is
 26 not embroiled in a leadership dispute, General Council meetings are never conducted by the Tribal
 27 Council. Reid Reply Decl., at ¶ 4. In contrast to the Tribal law and practice, the Lewis/Ayala Faction
 28

1 appointed itself as the sole facilitator of its “meeting.”⁴

2 Further, the Lewis/Ayala Faction orchestration of the “meeting” defied Tribal law and the
3 principles of the democratic process. The Lewis/Ayala Faction’s improprieties in conducting the
4 meeting are described in detail in the Declaration of Morris Reid but include paying members to attend
5 and vote, preventing and stifling any actual discussion by the attending Tribal members, and
6 misinforming the attendees regarding the content of the proposed “resolution.” See Reid Reply Decl.,
7 ¶¶ 12-23. These irregularities constitute misconduct, and further invalidated the “meeting.”

8 Because the Lewis/Ayala Faction’s January 24, 2015 “meeting” was not a legitimate Tribal
9 meeting, the discretionary payment of nearly \$1 million from the Casino to the Lewis/Ayala Faction
10 was a violation of this Court’s unambiguous Order. Thus, regardless of the Lewis/Ayala Faction’s
11 intent, contempt is appropriate.

12 *c) NIGC did not instruct the Lewis/Ayala Faction to hold a “meeting.”*

13 As a justification for violating this Court’s express prohibition on discretionary payments to
14 any group claiming to be the duly constituted tribal council, the Lewis/Ayala Faction offers the
15 justification that the National Indian Gaming Commission purport directed the Lewis/Ayala Faction to
16 conduct the January 24, 2015 “meeting.” However, the Lewis/Ayala Faction fails to provide any
17 evidence, admissible or otherwise, concerning such a “direction” from the NIGC.⁵ That is because the
18 NIGC never provided such “direction.”

19 On January 13, 2015, NIGC attorneys Eric Shepard, John Hay, and Heather Corson
20 participated in a telephone call with Tribal member Dora Jones. Jones Decl., at ¶ 4. During the
21 telephone call, the NIGC attorneys informed Ms. Jones that the Lewis/Ayala Faction had previously
22 sent its “resolution” to the NIGC to inquire whether the NIGC would allow the Lewis/Ayala to reopen
23 the Tribe’s Casino if the General Council “adopted” it. Jones Decl., at ¶ 5. The NIGC attorneys stated
24 that they had reviewed the Lewis/Ayala Faction’s “resolution” and had sent it to the Department of the

25 ⁴ The deliberate reasoning for having General Council meetings conducted by the General Council itself is to promote
26 independence of the two bodies and to ensure that the General Council is not improperly influenced by the Tribal Council.

27 ⁵ The Lewis/Ayala Faction cites to a Declaration of Geoff Hash, which does not provide any evidence that he or anyone
28 else had a conversation or received communication from the NIGC suggesting that the NIGC had directed the Lewis/Ayala
Faction to take any specific action. To the extent that Mr. Hash’s Declaration is intended to provide evidence, it is
inadmissible for several reasons, including but not limited lack of foundation, lack of personal knowledge, and hearsay.

1 Interior for review. Jones Decl., at ¶ 6. After review, the NIGC attorneys stated, both federal agencies
 2 concluded that the Lewis/Ayala Faction's proposed "resolution" was not an acceptable solution to the
 3 Tribal leadership dispute. Jones Decl., at ¶ 7. Moreover, the NIGC attorneys told Ms. Jones, the
 4 NIGC had called the Lewis/Ayala Faction's attorneys, Rosette LLP, and advised them of NIGC and
 5 Department's evaluation of the Lewis/Ayala Faction's proposed "resolution." Jones Decl., at ¶ 8.
 6 Accordingly, the NIGC rejected the Lewis/Ayala Faction's proposed "resolution," confirming that the
 7 Lewis/Ayala Faction's January 24, 2015 "meeting" was a waste of time.

8 Thus, while contempt is warranted in this case regardless of intent, this Court should consider
 9 that the Lewis/Ayala Faction knowingly violated its Orders when determining the specific order.

10 Finally, the Lewis/Ayala Faction has failed to account for hundreds of thousands of dollars the
 11 Casino revenues paid to the Lewis/Ayala Faction for its "meeting." Any amount left after the
 12 "meeting" also constitutes a discretionary payment to a "tribal group claiming to be the duly
 13 constituted tribal council," which is expressly prohibited by this Court's Order. Preliminary Injunction
 14 Order (ECF No. 48), at 9.

15 **B. The Lewis/Ayala Faction did not oppose a full accounting, and an accounting is**
 16 **therefore appropriate.**

17 In its motion, the Reid Council acknowledged that several potential violations were based on
 18 information and belief and reports from Tribal members. The Lewis/Ayala Faction does not dispute
 19 the alleged additional violations themselves, but instead argues that the Reid Council does not have
 20 admissible evidence of those potential violations. The Reid Council acknowledged that it does not
 21 possess such evidence except in the form of information and belief. However, this is because any
 22 evidence of further violations is in the possession of the Lewis/Ayala Faction, and is the precise reason
 23 why an accounting is appropriate.

24 Notably, the Lewis/Ayala Faction did not expressly object to a full accounting in its response.
 25 Plaintiff the State of California filed a statement of non-opposition to the Reid Council's request.
 26 Finally, the McDonald Faction did not file any response to the Reid Council's Motion, but has
 27 repeatedly and openly sought a full accounting of the Lewis/Ayala Faction's handling of the Tribe's
 28 and Casino's finances. Therefore, the Reid Council's request for a full accounting is unopposed.

Specifically, the Reid Council stated its belief that the Lewis/Ayala is making discretionary payments with Casino funds to its own members and to its attorneys, Rosette LLP, in violation of this Court's Orders. The Lewis/Ayala Faction did not object to or otherwise dispute either allegation.

The Reid Council also believes that the Lewis/Ayala Faction has made and is making discretionary, non-mandatory payments of Casino funds to individuals, including purported gaming commissioners. In response, the Lewis/Ayala Faction states that it is making "regular salary payments" to their purported gaming commissioners. However, the Lewis/Ayala Faction fails to define what it considers a "regular salary payment." If the Lewis/Ayala Faction's "regular salary payments" are in fact inflated, such payments would be discretionary and non-mandatory. Furthermore, inflated salary payments are a common form of fraud and embezzlement. *See, e.g., United States v. Diggs*, 613 F.2d 988, 994-997 (D.C. Cir. 1979); *United States v. Cornier-Ortiz*, 361 F.3d 29 (1st Cir. 2004); *United States v. Turner*, 551 F.3d 657 (7th Cir. 2008).

Accordingly, a full accounting is appropriate to determine the extent of any such payments of Casino funds, and whether any such payment was in fact discretionary or non-mandatory.

C. Appointing a Receiver is appropriate and within the Court's inherent authority.

The Lewis/Ayala Faction's primary argument against appointing a receiver is its assertion that it risks violating IGRA. To support its assertion, the Lewis/Ayala Faction asserts that the NIGC questioned the New York Supreme Court's appointment of a "referee" concerning the Tribe's Casino. The Lewis/Ayala Faction's argument fails for two reasons. First, appointment of a receiver in this action would actually promote, rather than thwart, the purposes of IGRA. In addition, the Lewis/Ayala Faction mischaracterizes the NIGC's letter to the New York Court. In fact, the New York Court's much more extensive oversight of the Casino's operations supports appointment of a receiver here.

Once again, the Lewis/Ayala Faction's argument is premised on the false assumption that it is the Tribe's government. Of course, as this Court is aware, this assumption is far from established.⁶ As this Court is also aware, the Lewis/Ayala Faction has never been recognized by the Department of the

⁶ On page one of its Response, the Lewis/Ayala Faction acknowledges that this Court is without jurisdiction to determine the Tribe's government. On page twenty of its Response, the Lewis/Ayala Faction asks this Court to determine that it is the Tribe's government.

1 Interior as the Tribe's government since the dispute began in December 2011.

2 Allowing a Tribal faction that is not recognized by the Department of the Interior to conduct
3 gaming activities or benefit from an Indian tribe's gaming facility is a violation of IGRA according to
4 the NIGC's own interpretation of the statute. *See* NIGC, *In the Matter of Sac and Fox Tribe of the*
5 *Mississippi in Iowa*, Declaration of James Qaquadah, Exhibit C. Thus, allowing the Lewis/Ayala
6 Faction to use or otherwise benefit from the Casino revenues, including those revenues that have at any
7 time been transferred to Tribal accounts, constitutes a violation of IGRA. *Id.*

8 The Lewis/Ayala Faction cites *Wells Fargo Bank v. Lake of the Torches Economic*
9 *Development Corporation*, 658 F.3d 684 (7th Cir. 10th Cir. 2005), arguing that *Wells Fargo* stands for
10 the proposition that a receiver can never be appointed. However, *Wells Fargo* does not so hold.
11 Rather, the *Wells Fargo* Court considered a management contract that was never approved by the
12 NIGC, and was therefore void *ab initio* and in its entirety. *Id.* at 694; 25 U.S.C. §§ 2710, 2711. The
13 contract contained a waiver of sovereign immunity and a provision allowing the appointment of a
14 receiver. Upon default, Wells Fargo sued the Indian tribe's economic development corporation,
15 invoking the contract's waiver of sovereign immunity and receivership provision. Contrary to the
16 Lewis/Ayala Faction's argument, the reason the Seventh Circuit did not appoint a receiver was that the
17 Court lacked jurisdiction because the parties' failure to secure NIGC approval rendered the contract
18 "void in its entirety and thus invalidates the Corporation's waiver of sovereign immunity." *Id.* at 702.

19 Here, in contrast, the Court has already determined that it possesses jurisdiction over the instant
20 action. Further, contrary to *Wells Fargo*, there are no gaming activities currently being conducted at
21 the Tribe's Casino because the NIGC ordered the Casino's closure. Finally, the Reid Council's request
22 is based upon the Court's inherent and equitable authority to appoint a receiver, rather than a contract
23 provision of a void contract with a private party.

24 The Lewis/Ayala Faction refers to a letter from the NIGC to the New York Supreme Court. On
25 July 2, 2013, the New York Court had issued a Preliminary Injunction that extensively controlled the
26 operation of the Casino during the intra-Tribal dispute, including naming a General Manager and
27 listing what payments could be made by the Casino. Qaquadah Declaration, Exhibit A. In a second
28

1 order dated September 27, 2013, the New York Court appointed a receiver to oversee the
2 administration of the Court's extensive order, but ordered confidential documents to remain under seal.
3 ECF No. 61-3 at p. 10-11. On September 19, 2014, the NIGC issued a letter to the New York Court,
4 expressing concern over the New York Court Order because it delayed documents being provided to
5 the NIGC. The letter also expresses a concern that the Court's Order may violate IGRA's prohibition
6 on a party other than an Indian tribe from managing a tribal gaming facility. ECF No. 61-3, at 13-14.

7 The Lewis/Ayala Faction directs this Court's attention to the NIGC's letter, but fails to include
8 the New York Court's response. On November 12, 2014, the New York Court Ordered its referee to
9 fully comply with NIGC requests for documents. Qaqundah Declaration, Exhibit B. The Court did
10 not otherwise alter its orders to address the NIGC's concern. The NIGC has not taken any further
11 action since the New York Court's November 12, 2014 Order.

12 The Reid Council recognizes that appointment of a receiver by this Court may cause the NIGC
13 concern regarding IGRA's prohibition against any party other than an Indian tribe from managing a
14 tribal gaming facility and accessing its assets. However, the NIGC has already determined that
15 allowing an unrecognized faction to manage the Casino's assets constitutes a violation of IGRA, as the
16 NIGC has determined in its *Sac & Fox* decisions. See Qaqundah Declaration, Exhibit C. Therefore,
17 not appointing a receiver likely would constitute or lead to further violations of IGRA.

18 The Reid Council recognizes that the current circumstances are extraordinary and that any
19 action or inaction risks certain conflicts with IGRA. However, these extraordinary circumstances
20 render appointment of a receiver the only appropriate and equitable way to protect the Casino and
21 Tribal assets and promote IGRA's stated purposes of protecting Tribes from the influence of organized
22 crime and ensuring that the tribes themselves are the primary beneficiaries of tribal gaming.

23 At least one other faction agrees, and has filed a request with the IBIA, which does not have
24 inherent authority to do so, to seize the assets of the Tribe in order to protect those Tribal assets. See
25 Qaqundah Declaration, Exhibit D. This other faction also notes that the Lewis/Ayala and McDonald
26 Factions are "desperately liquidating Tribal assets on and off reservation in order to survive." *Id.*

27 Accordingly, appointment of a receiver is appropriate in this case.
28

D. Accounting and Receivership of all Tribal assets is necessary to protect Casino assets.

As part of its justification for the discretionary payments of Casino funds, the Lewis/Ayala Faction asserts that the monies may be Tribal funds rather than Casino funds. However, as the Lewis/Ayala Faction itself acknowledges, the Casino is the Tribe's primary source of revenue and, because of the hiatus in the government-to-government relationship with the federal government, currently the only source of Tribal funds. Reid Reply Decl., Exhibit B. Thus, if the Lewis/Ayala Faction is expending Tribal funds, it is all but certain those funds were (and thus are) Casino revenues.

In addition, the Lewis/Ayala Faction attempts to redefine "Casino monies" as only those paid to the Lewis/Ayala Faction after this Court's October 15, 2014 Order. In other words, the Lewis/Ayala Faction wishes to unilaterally modify this Court's Order to exempt Casino revenues it had appropriated prior to this Court's Orders. In this way, even if the Lewis/Ayala Faction has been expending purely Tribal monies, the Lewis/Ayala Faction all but admits to spending Casino revenues as well. At the least, the Lewis/Ayala Faction's Response indicates that Casino revenues have been comingled with other Tribal assets.

For these reasons, an accounting and receivership of the Tribe's assets, in addition to the Casino's assets, is warranted in order to protect the Casino's assets.

III. Conclusion

For the foregoing reasons, the Reid Council respectfully requests that this Court issue a contempt order against the Lewis/Ayala Faction and its individual members. The Reid Council further requests that this Court grant the unopposed request for a full accounting of the accounts of the Tribe, the Casino, the Lewis/Ayala Faction and its members, and the McDonald Faction and its members. The Reid Council further requests that this Court appoint a receiver to protect Casino and Tribal assets.

Dated: February 4, 2015

Respectfully Submitted,

FREDERICKS PEEBLES & MORGAN LLP

/s/ James Oaqundah
Attorneys for Defendant
(Reid Council)