



DISTRICT COURT IN AND FOR CANADIAN COUNTY  
STATE OF OKLAHOMA

**FILED**

MARIE RAMSEY - FIRST COURT CLERK  
CANADIAN COUNTY OKLA.

AUG 18 2016

RJG LAW PLLC, an Oklahoma Professional )  
Limited Liability Company, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
HOBBS STRAUS DEAN & WALKER, LLP, )  
a Limited Liability Partnership, )  
 )  
Defendant. )

BY MARIE RAMSEY  
DEPUTY

Case No.: CJ-2016-84

**FIRST AMENDED PETITION FOR DAMAGES AND ASSIGMENT OF PROCEEDS**

Plaintiff RJG Law, PLLC, an Oklahoma Professional Limited Liability Company submits claims against Defendant Hobbs, Straus, Dean & Walker, LLP, an Oklahoma Limited Liability Partnership and pursuant Rule 10 of the Local Civil Rules, states as follows:

1. This is an action to vindicate the right against tortious interference with contractual relations guaranteed under the laws of Oklahoma.

**PARTIES**

2. Plaintiff, RJG LAW, PLLC ("Plaintiff"), is an Oklahoma Professional Limited Liability Company.

3. Defendant Hobbs Straus Dean & Walker LLP ("Defendant") is a limited liability partnership engaged in the practice of law in Oklahoma with offices in Oklahoma City.

**JURISDICTION**

4. This Court has jurisdiction pursuant to Art. VII § 7 of the Constitution of Oklahoma, and the Oklahoma Revised Uniform Partnership Act, Okla. Stat., tit. 54, §§ 1-1001.

5. Moreover, this action arises from a contract that was entered into in Canadian County and

from conduct that occurred within this County and therefore, jurisdiction and venue are proper.

### FACTS

6. Plaintiff graduated from the Oklahoma University Law School in 1993. He became a member of the Oklahoma Bar shortly thereafter, and immediately began to develop a practice focusing on Indian law.

7. Among Plaintiff's first Tribal clients was the Cheyenne Arapaho Tribes of Oklahoma ("CNA"), a federally recognized Indian Tribe headquartered in Concho, Oklahoma and several of its sub-agencies which he continued to represent over the next two decades.

8. Subsequent thereto the CNA opened several casinos on Tribal trust lands in Southwest Oklahoma under Plaintiff's advice and direction which included his direct involvement as an attorney and regulatory official of the CNA in several scope of gaming classification decisions and cases which included the successful launch of the linked bingo game Mega Mania, the video pull-tab game, Lucky Tab II, and black jack card tournaments, all under State and Federal law.

9. In 2003, largely because of the success of the herein above described CNA scope of gaming expansion strategy, the Defendants, on behalf of another federally recognized Indian Tribe in the State of Oklahoma, began negotiating with the State of Oklahoma for a class iii gaming compact pursuant to IGRA which included game definitions that would have effectively created a monopoly for two out of state vendors, Multi Media Games Inc. ("MGAM") and Sierra Design Systems, Inc. ("SDS")

10. At the time Defendants represented on an undisclosed basis one of these vendors which was charging 28% of gross revenue (Prizes minus payouts which equates to well in excess of 50% of net revenue in violation of IGRA's sole proprietary interest requirement as subsequently determined) to the Tribes in the State of Washington who had no choice but to purchase these

games under the same definitions they were trying to include in the Oklahoma Compact.

11. The Plaintiff and several of his tribal clients at the time, including the CNA, along with several opposing forces were able to lobby the legislature to defeat the proposed 2003 Oklahoma Compact.

12. In 2004, the states tribes regrouped and with the help of the CNA were successful in getting a similar compact approved by the people of the State of Oklahoma via the referendum vote without the provision the Defendants had negotiated in 2003 thereby eliminating the planned monopoly for one vendor, which was admittedly their client.

13. Against this backdrop the CNA have long desired to open additional operations near major population centers in other parts of the State, but have been thwarted by land acquisition and other regulations that the U.S. Department of Interior has applied in ways allowing several large and powerful Tribes in the State to acquire dozens of casino sites – and to control two-thirds of the State’s \$3.8 billion dollar Indian gaming market – while limiting the scope of other Tribal operations, and denying some Tribes any opportunity to engage in Indian gaming.

14. Having little prospect of additional substantive “brick and mortar” gaming operations in the State to fund programs vital to the Tribe and its people in light of regulatory obstacles, and having informal assurance of eventual approval from the federal government, the CNA purchased an exclusive license to an online website as a potential added source of necessary revenue.

15. After spending seven figures on the project, the CNA convinced the Plaintiff to help them begin an effort to gain legal approval of an online poker website as an added source of necessary revenue for the Tribe in the summer of 2012.

16. Immediately thereafter on July 26, 2012, the Senate Indian Affairs held a hearing on a bill which would have effectively outlawed the type of international online gaming contemplated by

the CNA which signaled the type of activity contemplated may well be legal which led the Plaintiff to research the backdrop against which the specific provision had been included therein.

17. Plaintiff's subsequent efforts on behalf of the CNA culminated in its website called *pokertribes.com*, being carefully developed in accordance with stringent infrastructure, technical and other requirements ensuring operations in compliance with Tribal, State and Federal law.

18. In or around August 12, 2012, the CNA Gaming Commission ("CAGC") began offering *pokertribes.com* to qualified individual players on a "free play" basis without geographic restriction.

19. Since the CNA and more than twenty other federally recognized tribes in Oklahoma had negotiated for and entered into State-Tribal Compacts on the basis of The Model State Tribal Gaming Compact ("State-Tribal Compact") enacted via referendum vote in 2004, the terms of which govern Tribal gaming operations, The State of Oklahoma objected to operation of *pokertribes.com* on the ground that free play online gaming directed to State markets (whether free play or not) is not otherwise permitted in Oklahoma and represented a violation of the CNA State-Tribal Compact.

20. The CNA did not agree with the State's objections to operating *pokertribes.com* on a free play basis, but nonetheless authorized Plaintiff to enter into confidential negotiations with the State directed to settlement of the controversy under the dispute resolution provision of the State -Tribal Compact.

21. In April 2013, Plaintiff's negotiations with the State culminated in a ground breaking settlement agreement (Settlement) interpreting the State-Tribal Compact to permit the CNA to offer *pokertribes.com* to an international market where such gaming is otherwise legal for 20% of the projected revenue as an exclusivity fee to the State. The Settlement was not exclusive to the

CNA, in that other Tribes in the State were free to negotiate with the State for authorization of similar i-gaming operations directed to international markets consistent with the Compact.

22. A study of the world wide online gaming market projected that *pokertribes.com* could bring the CNA \$132 million dollars in gross annual revenue by the year 2018, if by that time the website could attract just 2% of the market worldwide.

23. In August 2013, the U.S. Department of the Interior's Assistant Secretary for Indian Affairs (Assistant Secretary) objected to the Settlement under the State-Tribal Compact because the 20% "exclusivity fee" to the State was a material change in the State-Tribal Compact, and therefore inconsistent with other exclusivity fees prescribed by the Compact.

24. Plaintiff and legal representatives for the State went back to the drawing board, and in September 2013 agreed to revisions resulting in the First Amended Settlement Agreement ("FAS") designed to address the concerns of the Assistant Secretary by prescribing the same exclusivity fee due the State under the original State-Tribal Compact.

25. However, in November 2013, the Assistant Secretary continued to object to any online gaming operation directed solely to an international market, on the ground that any benefit to the CNA in consideration of the State's exclusivity fee for online gaming was "illusory". The State disagreed and continued to assert the FAS was authorized by the Compact terms previously approved by DOI and asserted the same in writing.

26. During this period *pokertribes.com* was a common topic of discussion in the CNA tribal election season. Opponents of CNA Governor Janice Boswell made an issue of the expense involved developing the website, \$9.4 million dollars – while ignoring projections of enormous potential revenue, \$132 million dollars – and Governor Boswell lost her job in a close three-way race. Nevertheless, her term as Governor was not set to expire until early January 2014.

27. Consequently, in December 2013, Governor Boswell authorized Plaintiff to bring suit to challenge the Assistant Secretary's decision purporting to disapprove the negotiated revisions to the CNA State-Tribal Compact.

28. Boswell's most likely successor – Eddie Hamilton – had been very supportive of *pokertribes.com* as a member of her Administration and Plaintiff proceeded with filing suit on behalf of the CNA in the U.S. District Court for the Western District of Oklahoma challenging the Assistant Secretary's decision as arbitrary and capricious: *Cheyenne Arapaho Tribes of Oklahoma v. Jewel, et al.*, Civil Action No. 13-1335-D (W.D. Okla., December 26, 2013).

29. On January 4, 2014, Defendant, through a representative, appeared un-invited by the governor-elect at the Inauguration of Hamilton and offered his services to the new administration who quickly accepted.

30. On or about January 6, 2014, Plaintiff met with the newly installed Governor Hamilton and his administrative team who after previously supporting the lawsuit over the FAS, began stating the tribe was going in a different direction.

31. On or about January 11, 2014, Plaintiff met with CAGC who had invited Governor Hamilton to go over the path forward and their decision to not pursue the lawsuit.

32. After meeting with the CAGC, Hamilton committed to an objective review of the lawsuit and requested the entire file to which Plaintiff delivered four (4) copies immediately thereafter.

33. In furtherance of his efforts to save the Tribe's investment to date, Plaintiff met with the Tribes Legislature on January 31, 2014, to discuss the lawsuit.

34. Later that day, the CAGC informed Plaintiff that his services had been terminated.

35. Subsequently, it became apparent that Hamilton had changed his position on the *pokertribes.com* project.

36. On February 18, 2014, Hamilton publicly disclosed his intentions to shut down the *pokertribes.com* project.

37. On February 20, 2014, CAGC delivered via email a Memorandum previously written by Defendant on April 25, 2013 (“Hobbs Straus Memorandum”), asserting that the Compact did not authorize the FAS and that Plaintiff possibly had an undisclosed financial interest in the technology company the CNA purchased the exclusive license and *pokertribes.com* website from and thereby alleging violation of state law in the negotiation process.

38. The GAGC admitted that the Hobbs Straus Memorandum was given to them on the day Plaintiff was terminated by CAGC.

39. The CAGC admitted that the Hobbs Straus Memorandum was the sole basis for the termination.

40. The Hobbs Straus Memorandum set forth the false assertion that the State-Tribal Compact did not authorize operation of the website, notwithstanding the fact the State itself had affirmed Plaintiff’s position by entering into the Settlement and First Amended Settlement with the CNA to revise the State-Tribal Compact.

41. The Hobbs Straus Memorandum also asserted falsely that the *pokertribes.com* website could result in the shutdown of all CNA gaming operations, though Defendant was fully aware *pokertribes.com* website had been offline since the State of Oklahoma first objected to its operation, and that it had never been in operation since.

42. In March 2014, Plaintiff moved to withdraw the lawsuit challenging the Assistant Secretary’s decision disapproving the agreement between the CNA and State of Oklahoma to revise their State-Tribal Compact.

43. Throughout the relevant period, Plaintiff was under contract with the CAGC.

44. Plaintiff had reason to believe the contractual relationship would continue despite turmoil surrounding the Tribal election, which can be a common dynamic in Tribal governance. Plaintiff's contractual relationships with the CNA and its Gaming Commission had survived several changes in political power and related turmoil over the years.

45. Defendant began representing the CNA in January 2014, and continues to represent the CNA and its sub agencies to this day.

46. In September of 2015 the Iowa Tribe of Oklahoma ("ITO") entered into negotiations with the same vendor that sold the CNA its \$9.4 million exclusive license to the software to run pokertribes.com and sold an exclusive license to the ITO for \$9.4 million to run the newly minted cite pokertribe.com (as opposed to pokertribes.com) to be owned and operated by ITO.

47. In October of 2015, consistent with the provisions in the Tribal-State Compact the ITO submitted an arbitration request under Part 12, Section of the Compact which states: "a party asserting non-compliance or seeking an interpretation of this compact shall serve written notice on the other party" to determine if the terms of the CNA FAS were in accordance to and with the terms of the Tribal-State Compact.

48. On November 24, 2015, consistent with the provisions in the Compact and recent Tenth Circuit precedent, the Iowa Tribe of Oklahoma ("ITO") was awarded authority to operate their own website, PokerTribe.com (as opposed to PokerTribes.com) on the same terms as the FAS and incorporating as its factual basis the entire administrative file of the FAS.

49. Following this disclosure, the Hamilton administration issued a statement that the settlement agreement(s) with the State, including the FAS, had increased the exclusivity fee terms of the Compact to 20% knowing that the exclusivity fee in the FAS was the exact same amount as the original Tribal State Compact fees.



50. The award went before the Honorable Judge Russell in the United States District Court for the Western District of Oklahoma for certification and in April 2016, was certified.

51. The Defendants then publicly stated to an unrelated potential client on April 14, 2016, that their firm did not represent vendors to the Oklahoma Indian gaming market.

52. The certification was not appealed and thereby became final approval.

53. On or about June 8, 2016, the Defendant(s) stated publicly during an Oklahoma Supreme Court Sovereignty Symposium ("Symposium") presentation on tribal gaming scams that in a recent case the software license provider didn't even own the software that was sold.

54. At the same Symposium Plaintiff presented a paper and background regarding the legal foundation of the Oklahoma i-gaming opportunities with respect websites highlighted herein.

55. Subsequent thereto the ITO has moved forward to launch the site internationally, including, but not limited to, specific airline flight of foreign carriers which do not enter US airspace, a yet to be tapped multibillion dollar market which can only be accessed from the United States by Tribal Governments.

56. As a direct and proximate result of the termination of his contract with the CAGC, Plaintiff has suffered significant and ongoing economic injury, together with the mental distress that is the natural and probable consequence of losing a longstanding contractual relationship with a Tribal client due to knowingly false and malicious statements made by Defendant.

#### **TORTIOUS INTERFERENCE WITH CONTRACT**

57. Plaintiff incorporates here, paragraphs 1 through 56 of this Petition.

58. At all relevant times prior to January 2014, Plaintiff and CAGC had a contractual relationship governing the conduct of each.

59. Defendant knew or should have known of the existence of Plaintiff's contractual

relationship with the CAGC.

60. Defendant drafted the Hobbs Straus Memorandum and submitted the same to CAGC to interfere with the contract between Plaintiff and the CAGC.

61. Defendant's Hobbs Straus Memorandum contains false statements, false allegations, and sets forth false conclusions.

62. Defendant's interference with Plaintiff's contractual relationship with the CAGC was malicious, wrongful and intentional.

63. Defendant's interference with Plaintiff's contractual relationship with the CAGC was neither justified, privileged, nor otherwise excusable.

64. Due directly to Defendant's submission of the Hobbs Strauss Memorandum to CAGC, CAGC terminated the contract with Plaintiff.

65. Plaintiff sustained significant economic damage and other injury as a direct and proximate result of Defendant's tortious interference with Plaintiff's contractual relationship with the CAGC.

66. Plaintiff's damages exceed \$75,000.00.

#### **PUNITIVE DAMAGE**

67. Plaintiff incorporates here, paragraphs 1-66 of this Petition.

68. Defendant's Hobbs Straus Memorandum contains false statements, false allegations, and sets forth false conclusions.

69. Defendant's submission of the Hobbs Strauss Memorandum to CAGC was unjustified, intentional, malicious, and tortious.

70. Plaintiff is entitled to, and requests, an award of punitive damages against Defendant based on the intentional interference by Defendant.

71. Plaintiff's damages exceed \$75,000.


## ASSIGNMENT OF PROCEEDS

72. Plaintiff hereby assigns to the CNA to be distributed on a Per Capita basis the proceeds of the herein styled action up to and including \$9.4 million (the original investment), subject to applicable costs and legal expenses of the prosecution of this matter.

## CONCLUSION

Plaintiff respectfully prays that this Court order: that Defendant Hobbs Straus Dean & Walker, LLP is liable for tortious interference with Plaintiff's contractual relationship with the CACG; that Defendant make Plaintiff whole for all economic damages, with an appropriate inflation factor, in an amount to be determined at trial; that Defendant pay Plaintiff compensatory damages in an amount to be determined at trial; that Defendant pay Plaintiff punitive damages in an amount to be determined at trial; that Plaintiff be awarded reasonable attorney's fees and costs; and Plaintiff be awarded such other and further relief the Court may deem just and proper all to be assigned to CNA up to and including \$9.4 million.

Respectfully Submitted,

  
Kevin H. Cunningham, OBA #22117  
DENTON LAW FIRM  
925 West State Highway 152  
Mustang, OK 73064  
Phone: (405) 376-2212  
Facsimile: (405) 376-2262  
[kevin@dentonlawfirm.com](mailto:kevin@dentonlawfirm.com)  
**ATTORNEYS FOR PLAINTIFF**

**Jury Trial Demanded  
Attorney Lien Claimed**