UNITED STATES DISTRICT COURT DISTRICT OF NORTH DAKOTA SOUTHWESTERN DIVISION

Jay Meilstrup,)
Plaintiff,)
vs.) Civil No
Standing Rock Sioux Tribe,)
Standing Rock Tribal Council,)
and Ryan Hertle,) <u>COMPLAINT AND DEMAND</u>
Defendants.) FOR JURY TRIAL

This is an action to recover damages due under an employment benefit plan governed by the Employee Retirement Income Security Act ("ERISA") 29 U.S.C. Section 1132. Plaintiff shows the Court the following facts:

I.

Plaintiff, JAY MEILSTRUP, ("Meilstrup") is an adult resident citizen of the United States and a residence of Nicholson, Pennsylvania.

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Defendant, STANDING ROCK SIOUX TRIBE ("Tribe"), is a federally recognized tribal nation, governed by the Standing Rock Tribal Council.

III.

Defendant, STANDING ROCK TRIBAL COUNCIL ("Council") is the Tribe's governing body and the Tribe entered into an Employment Contract with Meilstrup through the Council.

IV.

Defendant, RYAN HERTLE, ("Hertle") is the Chief Financial Officer for Prairie Knights Casino and is the insurance plan administrator for COBRA coverage.

V.

This Court has federal question jurisdiction under 28 USC Section 1331 and under ERISA, 29 U.S.C. Section 1132. Meilstrup also asserts claims for independent torts and breach of contract against the Tribe. These claims are based on state law and are within this Court's supplemental jurisdiction. Alternatively, if the Court finds they are not properly based upon state law, then Plaintiff asserts federal claims under ERISA.

VI.

Meilstrup is a former employee of the Tribe and began working for the Tribe at Prairie Knights Casino in the capacity of Chief Executive Officer/General Manager pursuant to an Employment Contract dated October 21, 2024. Consistent with the Employment Contract, Meilstrup was entitled to health insurance coverage and was approved for coverage by the Tribe.

VII.

The Council collectively interviewed Meilstrup as a group for the position of Chief Executive Officer during the hiring process. Meilstrup was offered the employment contract as a result of a decision made by the Tribal Council collectively. Meilstrup entered into a contract with the Triba authorized by the tribal chairwoman. Meilstrup was informed by the Frank Jamerson that he was to report to the "Executive Committee", a subcommittee of the Council made up of three people; the Tribal Chairperson Janet Alkire, the gaming Liaison for the Grand River Casino Charles Walker and the gaming liaison for the Prairie Knights Casino Frank Jamerson. Charles

Walker was also the Chairman of the Judicial Committee of the Council and an elected member of the Council. Frank Jamerson was also the Vice Chairman of the Council.

VIII.

On February 27, 2025, Meilstrup was notified that physicians were admitting his wife to the hospital for cancer treatment and complications resulting from her cancer mediation. Meilstrup's wife's physicians recommended that Meilstrup immediately be at her side. Meilstrup's wife's physicians discovered that she was negatively reacting to medication causing mental and physical incapacitation requiring 24-hour monitoring and care.

IX.

On February 28, 2025, Meilstrup met with the Tribe's Director of Human Resources, Wes Long Feather, to discuss options. The Director of Human Resources agreed to change Meilstrup's status to "unpaid leave" pending further determination of his wife's prognosis. The same day, Meilstrup met with Tribe Vice Charman, Frank Jamerson, to discuss the situation and confirmed unpaid leave status and subsequently Meilstrup left Prairie Knights Casino for Pennsylvania.

X.

On March 3, 2025, Meilstrup emailed Tribe council member, Frank Jamerson. and Chairman of the Judicial Committee, Charles Walker, (also a Tribal Council Member, Executive Committee Member and Casino Liaison), requesting unpaid leave until his wife could complete tests, evaluations and procedures and thereafter relocate to North Dakota.

XI.

On March 3, 2025, Meilstrup was notified by email from Charles Walker that his leave was approved through April 1, 2025.

XII.

On March 25, 2025, Meilstrup received a phone call from Tribe Council Member, Frank Jamerson, informing him the Tribal Council was going to vote on the termination of his Employment Contract immediately following the call; the reason given was violation of attendance related policies. Meilstrup explained that the Chairman of the Judicial Committee, Charles Walker, had approved the leave and he (Frank Jamerson) was copied on the email. Frank said it was the opinion of the Tribal Council that Charles Walker did not have the authority to approve the leave. Meilstrup was given no notice of concerns of policy violation, no opportunity to remedy the situation other than the phone call prior to the vote. Meilstrup immediately forwarded the email to both Frank Jamerson and Charles Walker to present to the Tribal Council before the vote and suggested that the Tribal Council consider today to be the date of notice and pay him through the notification period as outlined in the contract. About two minutes after Meilstrup forwarded the email, he attempted to access his company email to forward additional information but his access had been denied which had to be during to or prior to the vote.

XIII.

On March 28, 2025, Meilstrup reached out to Jamerson and Walker requesting information regarding the outcome of the vote but received no response. Again, on April 1, 2025, Meilstrup reached out to Jamerson asking for a status update and received the reply, "Yes, it will be sent to you, waiting for the Chairwoman's signature".

XIV.

On April 2, 2025, Meilstrup received an email from the Tribe's legal representative indicating the Council voted to terminate Meilstrup's Employment Contract "for cause" due to breach of contract for not following tribal policies, which were never provided to Meilstrup. The

letter indicated that Meilstrup would be eligible for COBRA coverage and included a sheet explaining the cost of COBRA coverage.

XV.

On April 5, 2025, Meilstrup received a certified letter of termination from the Tribe stating the reason for termination being breach of contract.

XVI.

On April 7, 2025, Meilstrup and his wife were at their hospital for her scheduled liver biopsy. During check in, the staff was not able to verify insurance. The insurance company indicated Melstrup's health insurance had been cancelled effective March 31, 2025. After multiple attempts to verify insurance, the biopsy was postponed. On April 8, 2025, Meilstrup contacted Wes Long Feather, Director of Human Resources, by phone to see if he knew anything about the insurance being cancelled. He responded that the Council voted to cancel the Employment Contract on March 25, 2025 so the insurance coverage would be in place through the end of March. Nobody had notified Meilstrup until April 2, 2025 that Meilstrup's contract was terminated.

XVII.

On April 14, 2025, Meilstrup contacted the Paycom COBRA representative on the phone and was assisted in signing up for COBRA coverage. Meilstrup paid and received a receipt from Paycom. Paycom is the HR benefits processor for the Prairie Knights Casino owned by the Tribe. On April 28, 2025, after two weeks of trying to procure a new insurance policy number so Meilstrup's wife could resume her treatments and procedures, Meilstrup was informed verbally by the Paycom COBRA representative over the phone that the COBRA had been denied by the Tribe since Meilstrup was terminated now for "Gross Misconduct".

XVIII.

On May 7, 2025, Meilstrup received a letter of COBRA denial from the Paycom COBRA department. The lack of notifications and response from Tribe representatives has caused significant disruption and delays to Meilstrup's wife's health care. Because of the Tribe's, Council's or Hertle's mishandling and contradictory presentations Meilstrup's wife was not able to secure health care coverage until June 1, 2025 when it should have been in place continually and her health care should have been available uninterrupted.

XIX.

On May 8, 2025, Meilstrup applied for North Dakota unemployment insurance.

XX.

The Tribe, Council and/or Hertle causing the insurance to be "canceled" represented a malicious interference with the insurance contract that Meilstrup had with the Tribe. The actions of the Tribe, Council and/or Hertle represent a malicious breach of contract by the Tribe since it had contracted to provide Plaintiff with health insurance.

XXI.

The Tribe, Council and/or Hertle violated the obligations under ERISA and the state law contractual obligations when cancelling Plaintiff's contract despite the agreement to provide insurance coverage.

XXII.

Meilstrup has incurred over \$7,900.00 in medical bills for which the Tribe is liable.

XXIII.

The acts of the Tribe, Council and/or Hertle, in causing the cancellation of the insurance contract prior to substitution of COBRA rights and in breaching the contract which they had with

Meilstrup, represents malicious bad faith tort action and also represents a bad faith refusal to carry out the Employment Contract with Meilstrup in good faith, and further represents malicious interference with contract for which punitive damages if allowed may be asserted.

XXIV.

The actions of the Tribe, Council and/or Hertle are outrageous, such that punitive damages are warranted. Meilstrup is aware of decisions holding punitive damages not due under actions regulated under ERISA. However, because of the outrageous nature of this case, and because of the actions of the Tribe are so outrageous that there could not have been any Congressional intent to protect it from punitive damages, Meilstrup makes a good faith argument that previous decisions should be modified or distinguished so as to make punitive damages available in this case, even under ERISA against the Tribe.

XXV.

The Tribe, Council and/or Hertle are liable to Meilstrup on the following theories:

- 1. Intentionally and maliciously breaching the Employment Contract;
- 2. Breach of contract, which they had to provide insurance coverage to Meilstrup;
- 3. Bad faith refusal to carry out the employment contract in good faith, i.e., the tort of bad faith;
- 4. Malicious misrepresentation of material fact by misrepresenting that insurance coverage would be provided.

XXVI.

The Tribe is liable to Meilstrup for breach of contract and for breach of the duties to pay benefits regulated by ERISA. Alternatively, if ERISA be not applicable, or in addition thereto, then the Tribe is liable to Meilstrup for breach of contract under state law including compensation for the duration of the four year term of the contract as set for in the Employment Contract.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff, JAY MEILSTRUP, prays for judgment against the Defendants, jointly and severally, as follows:

- 1. That this Court enter judgment declaring Defendants have breached the contract with Plaintiff.
- 2. That Defendants have violated ERISA standards, procedures and requirements.
- 3. That Plaintiff be awarded is compensatory, actual and punitive damages to be determined by a jury and for attorney fees.

Dated this ____day of July, 2025.

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