

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH DAKOTA
CENTRAL DIVISION

Vernon Ashley, Mary Ashley, Beatrice Whiting,)
Menia Mann, Grace Donner, Gail M. Pomani,)
Wallace Ashley, James W. Ashley, Joseph A.)
Ashley, Marice Ashley, Rebecca St. John, Ervin)
Yellow Robe Jr., John Howe Sr., Shawn St. John,)
Edward Howe, Rose Howe, Teresa His Law,)
Dominic Red Water, Guy St. John Sr., Neil Howe,)
Janice Howe, Bernard Bad Moccasin, Raynard)
Howe, Irwin Fire Cloud, Lori Drapeau, Mabel Grey)
Cloud, Quentin Drapeau, Marlon Sitting Crow,)
Nicole M. Drapeau, Sarah Drapeau, Victorine)
Jones, Everett Jones, Shirley Odea, Jerilyn Fallis,)
DeAnna Eare, Christina Eare, Myron Sitting Crow,)
Victor Sitting Crow, Darlene Medicine Crow,)
Marlow Medicine Crow, Doris St. John, Valerie)
Medicine Cedar, Fred Fleury Jr., Harry Flute,)
Sandra Flute Harmon, Michael Harmon, Sr.,)
Raynel Gonzales, Wallace Wells, Glenda St. John,)
Marlin Ross, Steve Middletent, Raymond Gonzales,)
Jr., Richard Taylor, Priscilla St. John, Angela Long)
Crow, LaDonna Harrison, Phyllis Dion, Buffy)
Dion, Emilee Gibson, Cameron Ross, William)
Shields, Brandon J. Sazue, Antoine Medicine Crow)
Jr., Jason Jenness, Wanda Sazue, Milly Ross,)
Priscilla Touch, Pedro St. John, Lisa Crow,)
Madeline Big Eagle, Raymond Grey Owl, Steve)
Jones, Jason Pickner, Sharon Jenness Hare, Cheryl)
S. Saul, Wilmer White Mouse Jr., Gloria White)
Mouse, Carl Howe, Sr., Charlotte Rockwood,)
Dawn DuBray, Linda Ross, Alfred St. John,)
Wilfred Keeble, Burton Stepp, Jr., Leonard Marks,)
June Ashes, Kitty M. Wells, Tony Big Eagle,)
Kymberly Rockwood, Martha Fleury, Jon Bird,)
Margaret Fleury, Hester Fleury, Lorenzo Fleury,)
Alan Fleury, James Crowe, Mabel Horned Eagle,)
Magdaline White Mouse, Patrick Wounded Knee,)
Ronald Wounded Knee, Carl Medicine Crow,)
Ernest G. MiddleTent, Timothy Bad Moccasin,)
Daniel Azure, Chris Gravatt, Kendra Kirkie,)
Patsy Marquez, Dauna Gravett, Joyce Reed, Becky)
Taylor, Shannon Shields, Roland St. John, Ron)
Kirkie, Royce Kirkie, Arlene Voice, Willard Voice,)

Civ. 02-3043

FILED

DEC 3 1 2002


CLERK



Joseph Shields, Lyle Medicine Crow, Brenda St. John, Mary Lou Boyzo, Faith Ann Sazue, Phyllis Comes Flying, Mary Jane Medicine Crow, Glen H. Pomani, Alvin Slow, Linda Pomani, Glenda Wounded Knee, Eric Thompson, Dolly Charging Whirlwind, Lynette Charging Whirlwind, Virgil Crowe, Valentina Merritt, Lester Thompson, Eunice St. John, Daisy Merritt, Hope His Law, James Sazue, George Comes Flying Jr., Renita Taylor, Allen Middletent, Werdna Wounded Knee, Loren Michael Bagola, Feanette Griffith, and Mary Morin, Lakes of the Brave, Inc., for themselves and all others similarly situated,

Plaintiffs,

vs.

UNITED STATES DEPARTMENT OF INTERIOR; GALE NORTAN, SECRETARY OF THE INTERIOR; JAMES STEVEN GRILES, DEPUTY SECRETARY OF THE INTERIOR; GOVERNMENT CAPITAL CORPORATION; CREW & ASSOCIATIONS, INC.; and LEHIGH MUNICIPAL,

Defendants.

COMPLAINT

Plaintiffs, for their cause of action against the Defendants herein state and allege as follows:

1.

Plaintiffs are all enrolled members of the Crow Creek Sioux Tribe (the “Tribe”), which is a federally recognized American Indian Tribe located on the Crow Creek Sioux Indian Reservation in South Dakota, whose tribal government is operated pursuant to a Constitution approved by the United States Secretary of the Interior on April 26, 1949. The Crow Creek Sioux Tribe has the distinction of occupying the “poorest county in

America” and its members have an overwhelming need for healthcare, education, housing, water, care for the aged and juvenile programs.

2.

Public Law 104-233 (H.R. 2512), the Crow Creek Sioux Tribe Infrastructure Development Trust Fund Act of 1996 (the “Act”), was signed into law on October 1, 1996. The Act created a fund of \$27,500,000 from which annual interest payments would be paid to the Tribe for infrastructure development on the Crow Creek Reservation. The Act provided that within two years of the date of the Act the Tribe was required to file a plan as to how the funds would be utilized. The Act requires that funds be utilized in five general areas: Educational Facility; Comprehensive Inpatient and Outpatient Health Care Facility; Water System; Recreational Facilities; and other Projects and Programs for the educational, social welfare, economic development, and cultural preservation of the Tribe. The first infrastructure payment to the Tribe was on October 1, 1997 in the amount of \$987,809.09.

3.

This Court has jurisdiction over this matter pursuant to 5 U.S.C. §§701-706; 28 U.S.C. §§1331, 1361, 1362, 2201 and 2202, and 25 U.S.C. § 450(m). Temporary and permanent injunctive relief is authorized under Fed.R.Civ.P. 65.

4.

Defendant Government Capital Corporation is a corporation with its principal place of business in Forth Worth, Texas, and is the party that negotiated a transaction for the issuance of bonds totaling \$6,600,000 in 1998 by the Tribe, and acted as the

underwriter thereof, and then arranged for the bonds to be sold to, and funded by, Defendant Crew & Associates.

5.

These bonds were executed by the Tribe on April 23, 1998 and include Series 1998A \$4,950,000 in “non-taxable” bonds at an interest rate of 6.85% and Series 1998B \$1,650,000 bonds at an interest rate of 9.25%. The bonds are repaid through annual payments of \$723,785.87 for a period of 15 years. The repayment of the bonds is secured by an assignment of infrastructure trust fund income payable to the Tribe by the United States Government each year on October 1.

6.

Defendant Crew & Associates, Inc. was the purchaser of the \$6.6 million bond issue and, insofar as Plaintiffs have knowledge, is the registered owner of the bonds. Crew & Associates, Inc. is a corporation with its principal place of business in Little Rock, Arkansas.

7.

With knowledge that the Tribe was the beneficiary of Public Law 104-223, Government Capital, in violation of the applicable anti-bribery statute at 18 U.S.C. §666 employed agents of the B.I.A. as their “consultants” to gain access to the infrastructure funds and “loaned” their own attorney to guide the Tribe into a bond transaction in which it would be the underwriter.

8.

At the direction of agents for Defendant Government Capital Corporation the Crow Creek Tribal Council passed Resolution CC-98-03-03-03 on March 2, 1998, which

authorized the Tribal Chairman and Vice-Chairman to execute the requisite documents necessary for securing a \$6.6 million loan. No “requisite documents” were presented to the Tribal Council.

9.

At no time was it disclosed to the members of the Tribe or these Plaintiffs that Defendants were designing an assignment of infrastructure trust fund payments or waiver of immunity, and there was no resolution or ordinance passed by the Tribal Council to authorize the execution of an assignment of the Tribe’s infrastructure trust fund income or waiving its immunity.

10.

On April 23, 1998 the Tribal Chairman and Vice-Chairman executed documents prepared by the Defendant Government Capital Corporation for closing the loan, which documents included a Loan Agreement, Bond Form, and an Assignment of Income for each of the two bonds.

11.

Because there was no ordinance or resolution to authorize the Tribe to assign its income from the infrastructure trust fund, the assignment and waiver of immunity executed by the Tribe’s Chairman and Vice-Chairman was made without the authorization required by the Tribal Constitution.

12.

Among other things the Constitution and By-Laws (incorporated into the Constitution at Article VI, §1) of the Crow Creek Sioux Tribe were violated in the bond assignment transactions in the following respects:

- a. Because of the secrecy of the proceedings and assignment the Plaintiffs as members of the Tribe were deprived of their right to participate in the economic activities of the reservation as granted to the them by Article VII, §2.
- b. The Plaintiffs were deprived of their referendum rights as granted to them by Article VIII.
- c. Article VII, §4 of the By-Laws requires that final decisions of the Tribal Council on matters of general or permanent interest to the members of the Tribe be embodied in ordinances. No ordinance was passed here. This section also requires that ordinances and resolutions be published and/or filed so as to give members of the public, such as the Plaintiffs, awareness of their contents, which was not done here.
- d. Article VII, §5 requires that ordinances and resolutions recite the provisions of the Constitution under which authority for such ordinances or resolutions is found. That was not done on this matter.
- e. Article I, §4 of the By-Laws requires that the treasurer is to accept, receive, receipt for, preserve, and safeguard all funds of the Tribe. In this case that was not done. Defendants manipulated the transaction so that the funds were not so controlled by the treasurer but were controlled by B.I.A. agents without proper reports, records and receipts required by that section.

13.

The unseen loan agreements, bonds and assignments of income signed on behalf of the Tribe were signed on April 23, 1998 which was seven days after the Tribal election

in which the existing Tribal Chairman who signed the documents, along with several members of the Tribal Council had been defeated, and was only six days before their term of office was to end, which was April 30, 1998.

14.

In order to secure an opinion of counsel for the Tribe to be furnished to the potential bond purchasers, and to obtain the opinion within the time frame demanded by the election, the Defendant Government Capital Corporation arranged to have their counsel also act as counsel for the Tribe in the closing of the transaction and for issuing an opinion even though the conflict of interest was egregious and he failed to protect the interest of the Tribe or its members.

15.

Because of the absence of receipts the Tribe and its certified public accountants have been unable to trace substantial portions of the bond proceeds.

16.

Plaintiffs allege that a substantial portion of the proceeds from the 1998 bond issues were dissipated in violation of the Tribal Constitution and By-Laws as described above and by Public Law 104-223.

17.

Crew & Associates was directly involved in the closing of the loan transaction herein, and had notice of the deficiencies referenced herein and therefore is not a holder in due course.

18.

In obtaining the \$6.6 million dollar loans the Tribe entered into loan agreements with Defendant Crews which included the following clauses in the agreements:

- a. 15. Books and Records; Notices. So long as the Bond remains outstanding, the Tribe shall keep or cause to be kept true and accurate books of records and accounts showing all Income received by the Tribe and full and true entries covering the costs and disbursements in each of the special funds herein described and covering the payment of the Bond.
- b. 21. Limited Waiver of Sovereign Immunity. The Tribe hereby waives its sovereign immunity and consents to be sued and to submit to binding arbitration solely to permit enforcement of the obligations of the Tribe under the Bond and this Loan Agreement. Such waiver and consent is limited to actions brought by the registered owner of the Bond seeking remedies available under the Bond and this Loan Agreement and, if money damages are sought, requesting recovery of such damages from the proceeds of the Bond, the Income or any other legally available funds of the Tribe excluding “trust income” other than the Income and moneys other than the Income derived from “trust assets.” For this limited purpose the Tribe consents to be sued in the United States District Court for the District of South Dakota. . . .

19.

In addition to the above the loan agreements contained a written waiver of immunity for the Tribe and an indemnity agreement by the Tribe enforceable in federal court.

20.

The funding for the \$6.6 million loan was established by “Assignments of Income.” A copy of one of these is attached hereto as Exhibit 1.

21.

Both the loan agreements and the assignments of income were subject to approval by the Secretary of the Interior by his authorized B.I.A. officers.

22.

None of the above documents were approved by the Tribal Council and none were ever made available to the members of the Tribe, including these Plaintiffs, for examination, review or rights of referendum.

23.

Prepayment of the \$6.6 million dollar loan was prohibited by the agreements.

24.

\$4,950,000 of the bonds issued for the \$6.6 million dollar loan were to be “tax-exempt” and the proceeds therefore were to be deposited in specified funds and used only for the purposes described in the bond. The \$4,950,000 loan agreement included the following clauses:

- a. This Bond is authorized and issued for the purpose of financing or refinancing the acquisition or construction of certain land, buildings or equipment for public purposes of the Tribe under the authority of and in full conformity with the Constitution and Bylaws of the Tribe and pursuant to a Loan Agreement duly executed by the Tribe prior to the issuance of this Bond.

As security for the payment of this Bond there is irrevocably (but not necessarily exclusively) pledged, pursuant to the Loan Agreement, a special fund into which the Tribe has covenanted to pay from all Income received by the Secretary of the Interior from the investment of the Crow Creek Sioux Tribe Infrastructure Development Trust Fund established under the Crow Creek Sioux Tribe Infrastructure Development Trust Fund Act of 1996 (Public Law 104-233, 110 Stat. 3026 et seq.) and other legally available funds of the Tribe excluding “trust income” other than the Income described above and moneys other than the Income described above derived from “trust assets” sums sufficient to pay when due the principal of and interest on this Bond. By an Assignment of Income the Tribe has provided for direct payment to the Registered Owner of the principal of and interest on this Bond, and all moneys so paid are deemed moneys deposited in said special fund.

- b. It is hereby recited, certified and warranted that all the requirements of law have been fully complied with by the proper officers of the Tribe in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the Constitution and Bylaws of the Tribe; and that this Bond is issued under the authority of the Loan Agreement.
- c. 11. Acquisition Fund. The Tribe shall deposit in the Crow Creek Sioux Tribe of the Crow Creek Reservation, South Dakota, General Obligation Bond Series 1998A, Acquisition Fund (the “Acquisition Fund”) hereby created, forthwith upon receipt of the proceeds of the Bond, proceeds of the Bond in the amount of \$4,950,000. The Tribe shall apply said sum to the payment of

the costs of the Project. Upon completion of the Project or in the event of a default in the payment of the principal of or interest on the Bond or a breach of any representation, warranty or covenant contained herein, all moneys held in the Acquisition Fund shall be transferred to the Bond Fund and used for the purposes thereof.

d. 14. Tax Matters. The Tribe shall make no investment or other use of the proceeds of the Bond at any time during the term thereof that would cause the interest on the Bond to be includible in gross income under the Code and the regulations there under and shall comply with all other covenants and certifications relating to the Code made by the Tribe in connection with the issuance of the Bond. The foregoing covenant shall remain in effect notwithstanding the payment in full or defeasance of the Bond until the date on which all obligations of the Tribe in fulfilling the above covenant under the Code had been met.

e. A “certificate” as to use of the \$4.95 million dollar bond proceeds described the “project” to be:

Land (Acquisition)	\$ 3,164,739
Land (Refinancing)	863,429
Water, Sewer and Road Facilities (Equipment)	125,000
Water, Sewer, Solid Waste, and Police Protection Facilities (Refinancing)	428,832
Day Care Center/Adolescent Center (Construction)	130,000
Administration/Finance (Equipment)	80,000
Community Center/Administration Building (Renovation)	120,000

Solid Waste Disposal Facility (Construction)	<u>38,000</u>
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Total	\$ 4,950,000
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25.

On September 15, 2000 the Crow Creek Tribal Council found that the \$6.6 million loan was fraudulent and not approved by the Tribal Members. The Council authorized counsel to pursue a claim against the responsible parties including the B.I.A. for the cancellation of the bonds. (Resolution CC-00-19-15-08.)

26.

Thereafter, when the present Tribal administration was elected said counsel was directed to discontinue that suit.

27.

That a substantial part of the \$6.6 million was used for purposes unrelated to the mandates of the Infrastructure Act and the Tribes C.P.A. accountants have been unable to trace the disposition of more than \$2 million of said funds.

28.

The Secretary of Interior and the Assistant Secretary of Indian Affairs approved the \$6.6 million transaction but failed to act to monitor or manage the application of the funds to Congressionally mandated purposes, and otherwise permitted and approved on a daily basis Tribal financial operations resulting in the following:

- a. The Tribe failed to pay employment taxes due the I.R.S. in an amount believed to be in excess of \$1 million dollars.

- b. The Tribe was permitted to regularly transfer funds from such accounts as to other program accounts despite strict contractual or grant conditions prohibiting same and without traceable receipts or records.
- c. They approved Tribal expenditures for COPS programs which overspent this grant in an amount of over \$640,000 which the Department of Justice seeks reimbursement.
- d. The Tribe has been allowed to overspend government program accounts in an amount of over \$7,000,000.

29.

Section 450(f) of the Indian Self Determination Act (25 U.S.C. § 450(f)) provides that contracts of the Secretary of the Interior with Tribes such as Crow Creek reasonably require a determination of the Secretary that:

- a. the service to be rendered to the Indian beneficiaries of the particular program or function to be contracted will not be satisfactory;
- b. adequate protection of trust resources is not assured;
- c. the proposed project or function to be contracted for cannot be properly completed or maintained by the proposed contract;
- d. the amount of funds proposed under the contract is in excess of the applicable funding level for the contract, as determined under section 450j – l(a) of this title; or
- e. the program, function, service, or activity (or portion thereof) that is the subject of the proposal is beyond the scope of programs, functions, services,

or activities covered under paragraph (1) because the proposal includes activities that cannot lawfully be carried out by the contractor.

Further, § 450(f) requires that a Tribe to operate a contracted program according to standards which will “ensure ... accountability of funds and ... adherence to project plans and specifications...”.

30.

§450(m) of the Self Determination Act requires the Secretary to assume control of contracts or grants where there is “(1) a violation of rights or endangerment of the ... welfare of any persons, or (2) gross negligence or mismanagement in the handling or use of funds provided to the tribal organization ...”.

31.

In issuing the tax-free bonds the Tribe made certain “certifications” including the use of funds for refinancing land; water, sewer, solid waste and police protection facilities; and a daycare center. The Tribe certified that at least 95% of the proceeds would be used for local government activities.

32.

Neither the certification nor the form 8038-G filed with the IRS disclosed that the bond funds were going to be dissipated; applied to correct improper fund transfers; or used to pay miscellaneous debts such as farm debts.

33.

In fact, there was no accounting of the use of said bond proceeds and neither of the Secretaries sued herein took any steps to ensure the proper application of the proceeds – which were not applied as certified.

34.

The above actions have seriously jeopardized the financial standing of the Tribe.

35.

In September of 2001, the Department of Interior determined not to further contract with the Tribe as of October 1, 2001 because of numerous financial misdeeds including failure to comply with the contract reporting requirements of P.Law 93-638 and failure to comply with mandatory Federal Statutes.

36.

On February 7, 2002 the Crow Creek Tribal Council passed Resolution CC-02-02-07-03 which purported to consolidate Tribal debts in an amount of \$31,858, 912 and to negotiate the consolidated debt with Defendant Lehigh Municipal. The Resolution failed to mention that the consolidated debt loan was to be financed by an “assignment” of funds to be paid the Tribe through the Infrastructure Trust Fund or that it would necessitate waivers of sovereign immunity.

37.

The consolidated loan plan, which accompanied said Resolution, included a “Consolidation Plan” for use of the funds as shown by Exhibit #2 attached hereto and incorporated herein by reference.

38.

That some of the Plaintiffs have attempted to secure more details on said Consolidation Plan but have been unable to secure access to see any of the documentation relating to said plan. The Tribal officers involved have intentionally acted to keep the details of the \$32 million loan secret. Furthermore, they have attempted to do the

important business described herein by resolution at “special meetings” of which the public is given no prior notice and the record of which is retained secret for up to 2 months in violation of Article VII, § 4 and Article II § 1 of the Tribal By-Laws.

39.

That said plan signs away the infrastructure payments that should be used for the future health, education and welfare of the Plaintiffs and the administration of the Tribe – and in violation of the mandate of Congress in that it applies said infrastructure moneys for such things as:

- a. Paying off the illegal bond obligations plus an obvious penalty of approximately \$1.5 million dollars for pre-payment thereof.
- b. Paying Audit discrepancies, which were allowed to develop by the Defendant Secretaries, of over \$4.7 million dollars. Apparently, these funds are payable to various governmental agencies under the control or direction of Defendant Secretaries.
- c. Paying unpaid bills for the farm and the Tribe of approximately \$950,000.
- d. Buying land for \$4,500,000 at a time which the Tribe is unable to pay its farm bills or F.H.A. loan or to provide water, Headstart, housing assistance, juvenile delinquency programs, elderly assistance, or retirement homes to its members and when it presently leases a substantial part of its real property to Tribal officers at an annual rate of less than \$4.00 per acre.

40.

Any assignments of infrastructure fund were in violation of 25 U.S.C. § 81, 25 U.S.C. § 464 and § 5 of the Infrastructure Act. Plaintiffs’ question that Defendants

Crews, Government Capital and Lehigh are licensed to do business in South Dakota or the Crow Creek Reservation.

41.

That the Tribal Resolutions passed in regard to the \$6.6 and \$32 million dollar transactions were intentionally left to be vague and to obfuscate the fact that the money transactions were actually a dissipation of infrastructure moneys that were supposed to provide permanent social welfare programs for members of the Tribe such as Plaintiffs and their descendants. That because of the direct involvement of the Tribal Council in pursuit of these transactions it would be futile to attempt to secure the relief sought herein by requests to said Council or the Secretaries – particularly since the secret transactions appear to be imminent and have been done so as to avoid the Referendum Rights given members such as Plaintiffs by the Tribal Constitution.

42.

Plaintiffs allege that the \$32 million dollar loan transaction as described above is also in violation of the Tribal Constitutional requirements described in paragraph 12 above.

43.

That the Defendant Secretaries have common law trust responsibilities to the Tribe and to Plaintiffs over the disbursement and dissipation of the Infrastructure funds as per Cobell v. Norton, 240 F.3rd 1081 (D.C. Cir.2001).

44.

That to the best of Plaintiffs' knowledge and belief the Defendant Secretaries have encouraged and approved the entire dissipation of the Tribe's infrastructure trust

funds for the \$6.6 million dollar bonds and the \$32 million dollar loan described above in violation of their trustee duties, the requirements of the Infrastructure Act, the Tribal Constitution and their duties to enforce the standards of 25 U.S.C. § 81 and § 450. Their approval of same has also been with a conflict of interest in attempting to use the infrastructure funds to cover up the gross mismanagement of they and their agents (some of whom were paid by the bond buyers and loan companies to assist in the transactions) in the Tribe's operation of self-determination contracts and grants and constituted an abuse of discretion on their part. Furthermore, the Secretaries have abused their discretion in authorizing and approving purchases and leasing of Tribal property which involves gross self-dealing by Tribal officers and Council members and the use of funds ear-marked for welfare and needs of Tribal members such as Plaintiffs and their children for bonuses and extravagant fringe benefits of Tribal officers and Council members.

45.

Plaintiffs seek a Declaratory Judgment pursuant of FRCP 57 and Title 28 U.S.C. § 2201 declaring:

- a. Any assignments of infrastructure funds as described above to be declared null and void.
- b. Any waivers of sovereign immunity as described above for the Tribe to be declared null and void.
- c. Setting aside any approvals by the Defendant Secretaries for the use of infrastructure funds which is not in conformity with the Infrastructure Act or in nonconformity with any plan which has had the full approval of the Tribal Council and Tribal members by way of referendum if they desire.

- d. Setting aside any applications of infrastructure funds which go for penalties, deficit accounts, of the Department of Interior as being in violation of the Infrastructure Act and the trust responsibilities of the Defendant Secretaries.
- e. Finding the approvals of assignment of infrastructure moneys by the Secretaries to be an abuse of discretion and therefore invalid.
- f. Determining that the Secretaries and their local Superintendent fulfill their duties to require that expenditures of the Crow Creek Tribal Council be in conformity with the requirements of 25 U.S.C. § 81 and § 450; Article I, § 4 and Article VII, § 4 of the Tribal By-Laws, and that proper notice to the Tribal members of all ordinances and resolutions relating to said expenditures be given as a prerequisite to their approval.
- g. Requiring the Secretaries to withhold approval of all self-dealing by Tribal officers in payment of bonuses, land leases and fringe benefits.

46.

Plaintiffs further pray that pending the determination of the Declaratory Judgment issues that the Defendants be enjoined from taking any action to make deductions or withdrawals of any kind from the Infrastructure funds.

47.

That a class action under FRCP 23(a) is proper here because all Tribal members are potential Plaintiffs and joinder of them is impracticable. There are common questions of law and fact; the named Plaintiffs have claims typical of the other members of the class and will fairly and adequately protect the interests of the class.

48.

Plaintiffs allege that FRCP 23(b)(1)(A), (b)2 and (b)3 can be satisfied in this case.

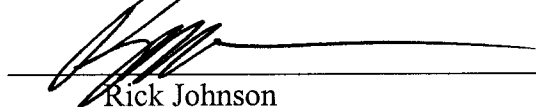
49.

Plaintiffs are entitled to recover their costs and attorney fees either through the Equal Access to Justice Act or the infrastructure funds that may be saved for the Plaintiffs and potential class members.

WHEREFORE, Plaintiffs pray for entry of a Declaratory Judgment as described in paragraph 45 above, for an injunction as described in paragraph 46 above and that they recover their costs and attorney fees herein.

DATED this 30 day of December, 2002.

JOHNSON, EKLUND, NICHOLSON
& PETERSON

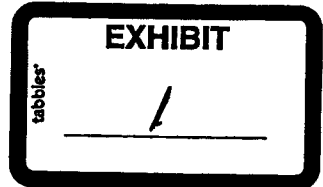


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Attorney for Plaintiffs

DISTRIBUTION: Original (salmon) for Bureau Accounting Office on loans by United States or white on loans by corporations, tribes, or credit associations; blue for Area Credit Office; yellow for Agency or District; green for borrower.

CF No.
Contract No.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
BRANCH OF CREDIT



1. Name of lender (hereafter called the "lender")

Crews & Associates, Inc.

or its successors and assigns as registered owner of the Bond described in paragraph 3 below.

ASSIGNMENT OF INCOME

(For use only in connection with loans by Indian chartered corporations, unincorporated tribes, credit associations, or the United States.)

2. Name of borrower(s) (hereafter called "I") Crow Creek Sioux Tribe of the Crow Creek Reservations, South Dakota	Address of borrower(s) Fort Thompson, South Dakota 57339
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3. In consideration of a loan from the lender, I hereby assign to the lender as security for repayment of such loan, all income from the investment of the Crow Creek Sioux Tribe Infrastructure Development Trust Fund established and funded under the Crow Creek Sioux Tribe Infrastructure Development Trust Fund Act of 1996 (Public Law 104-223, 110 Stat. 3026 et seq.) not exceeding the principal of and interest on the borrower's General Obligation Bond, Series 1998A, dated April 23, 1998, in the principal amount of \$4,950,000 then due as shown on Exhibit A hereto. The borrower may contract other indebtedness payable from the same source on a parity with or subordinate to the above-described bond, and in such case all income assigned shall be paid to the lender and any other lender identified in a similar assignment of income according to the priorities specified in the borrower's instruments authorizing the issuance of the above-described bond and the other indebtedness.

4. I hereby grant to the authorized Bureau officer or his other successors (hereafter called the "officer") having jurisdiction over the area in which the lender is operating, full right, power, and authority to demand, collect, sue, or receipt for the income assigned in paragraph 3 above, and to apply such income or any such income belonging to me in the hands of the said officer, on my indebtedness to the lender.

5. This Assignment of Income shall be irrevocable and not subject to amendment without the written consent of the lender so long as the above-described bond remains outstanding and unpaid.

Date <i>April 23, 1998</i>	Signature(s) of borrower <i>[Signature]</i>
Signature(s) of witness(es) <i>[Signature]</i>	Address(es) of witness(es) <i>Box 470 Fort Thompson, SD</i>

APPROVAL

Date <i>April 21, 1998</i>	Signature of authorized Bureau officer <i>[Signature]</i>
	Title <i>Supervisor</i>

ACCEPTANCE

(For use by borrower where loan payments are payable directly to the lender)
Notice of assignment is hereby acknowledged and payment to the above officer will be made as directed.

Date	Signature of lender
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**CROW CREEK SIOUX TRIBE
CONSOLIDATION PLAN
January 3, 2002**



The total infrastructure funds are obligated in paying the debt services for the next several years. This puts Crow Creek Sioux Tribe in dire straits financially. The general funds budget will be in the red by the end of the fiscal year. This will cut the services to the tribal members substantially.

Consolidating the debt services is a plan that will help lift the financial burden of the tribe. Here is a list of the debt services.

1.	Bond Obligation (Crews & Associates)	\$7,961,645.00
2.	FmHA	\$3,260,007.58
3.	Marshall, Miller & Schroeder (Casino)	\$7,482,981.50
4.	Marshall, Miller & Schroeder (Tribal)	\$1,648,127.84
4.	1996 Audit DAC	\$ 14,448.00
5.	1997 Audit DAC	\$1,174,331.00
6.	1998 Audit (6.6 million bond))	\$3,568,914.00
7.	Outstanding Taxes	\$1,025,243.60
8.	BIA Loan Guaranty (Housing)	\$ 50,000.00
9.	COPS Grant	\$ 621,500.00
10.	Crow Creek Tribal Farm	\$ 304,714.15
11.	Outstanding Bills	\$ 647,000.00
12.	Land Purchase	\$4,100,000.00
	Total Debt Services	\$31,858,912.67

Note:

When the audits are finished, the debt services can exceed \$30 million. The consolidation plan needs to be implemented to alleviate the financial burden on the tribe. The tribe will not see any of these funds. The funds will be paid directly to the vendors that we owe.