



*Rosebud Sioux Tribe*

SICANGU OYATE  
ROSEBUD, SOUTH DAKOTA 57570  
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NORMAN G. WILSON  
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ROSE CORDIER  
Vice-President  
CHARLES I. WHITE PIPE JR.  
Treasurer  
GERRI NIGHT PIPE  
Secretary  
PAT BAD HAND SR.  
Sergeant at arms

August 20, 1999

Charles C. Colombe  
PO Box 21  
Mission, South Dakota



Dear Mr. Colombe

We are extremely disappointed in your raid on the accounts of the Rosebud Tribal Casino in the final period that you had control of those accounts. You took this action in clear violation of your contract with the Tribe.

In the few days following the transfer of the casino to the Tribe, we have identified nearly one million dollars in transfers to BBC, to your wife, Vi Colombe and to Western Events, your own business enterprise - - all made within the last month. While you may be entitled to some of these funds, we have serious questions about the amounts and timing of many of the payments, and whether a substantial portion of them should have been made at all.

As you are no doubt aware, as manager, you are entitled to 35% of the net revenue of the gaming facility during your management period. But the contract provides that your share of that split is payable only from net revenues, after all expenses have been paid, and only so long as the Tribe receives 65% of those same net revenues. A preliminary review of the final months' accounts suggest that this contractual limitation was not followed. We will need to conduct additional review to determine whether the substantial transfers of "Reserve Share" to BBC, exceeding \$415,000.00 was justified in light of the overall finances over the contract term. Other questions must be addressed as well.

It is the duty of the tribal government to ensure that the Tribe retains its lawful share of the moneys generated by the casino. We are instructing our accountants to conduct a full investigation of the casino accounts, and will ask our attorneys to take whatever action is necessary and appropriate to ensure that the Rosebud Sioux Tribe has its full share of benefits from the Tribal casino.

I regret that we have to do business in this way. We will contact you when we have further information.

Respectfully,

Norman G. Wilson, President  
Rosebud Sioux Tribe