

1 CAUTIONS IN USING A REALTIME PARTIALLY EDITED TRANSCRIPT

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3 IN A REALTIME PARTIALLY EDITED TRANSCRIPT, YOU MAY
4 SEE THE REPORTER'S RAW SHORTHAND NOTES. CONSEQUENTLY, YOU
5 MAY SEE ERRORS IN CAPITALIZATION AND PUNCTUATION,
6 MISSPELLINGS, SMALL WORDS MISSING (SUCH AS "THE," "IT,"
7 "A"), TRANSPOSED WORDS, DOUBLE WORDS, CONTEXTUAL HEARING
8 MISTAKES, HEARING MISTAKES OF SOUND-ALIKE WORDS, POSSIBLE
9 INCORRECT SPEAKER IDENTIFICATION, AND AT TIMES STENO
10 OUTLINES THAT HAVE NOT BEEN TRANSLATED.

11 BE ASSURED THAT IN THE FINAL EDITED VERSION OF THE
12 TRANSCRIPT, ALL ERRORS ARE CORRECTED. AN UNEDITED OR
13 PARTIALLY EDITED TRANSCRIPT REPRESENTS A FIRST DRAFT AND
14 SHOULD BE USED ACCORDINGLY.

15 THEREFORE, IT IS NOT RECOMMENDED YOU RELY ON THE
16 UNEDITED VERSION AS YOU WOULD A FINAL EVIDENTIARY CERTIFIED
17 TRANSCRIPT. ALTHOUGH AN UNEDITED OR PARTIALLY EDITED
18 TRANSCRIPT WILL BE VERY READABLE AND MOSTLY ACCURATE, IT
19 SHOULD BE USED WITH GREAT CARE.

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GABRIELINO-TONGVA TRIBE VS. STEIN

ROUGH TRIAL TESTIMONY OF ELIZABETH ARONSON

09:39 AM.

THE COURT: Gabrielino versus Stein, BC361307 good morning counsel.

MS. IBARRA: Good morning Your Honor.

MR. FORDYCE: Good morning Your Honor.

MR. STEIN: Good morning.

THE COURT: Make your appearance.

MS. IBARRA: Delia Ibarra on behalf of plaintiff Gabrielino-Tongva Tribe.

MR. FORDYCE: Good morning Your Honor Niall Fordyce on behalf of Mr. Stein and law offices of Jonathan Stein.

MR. STEIN: Jonathan Stein on behalf of SMDC and the Crane Group.

THE COURT: Thank you. Okay we have Ms. Aronson on the witness stand, there's a document in front of me, I guess it's a letter and it's a new exhibit.

MS. IBARRA: It's a new exhibit 25 four and it's -- yeah 25 four and we're going to use it with this witness. It originally came from a production by Mr. Stein so I don't know if there's any objection.

MR. STEIN: This is a letter from Ms. Aronson to the attorneys for SMDC.

THE COURT: Okay.

MR. STEIN: From 2006.

THE COURT: All right thank you. All right you

1 may continue. Good morning?

2 A. Good morning Your Honor.

3 MS. IBARRA: Good morning.

4 A. Good morning.

5 Q. BY MS. IBARRA: So we were at Exhibit 71 which is
6 a draft letter that you've identified?

7 A. Yes.

8 Q. So if we can go -- continue with it, I think we
9 left off at ethical violations which is in 37024.

10 MR. STEIN: What page then.

11 MS. IBARRA: 037024 is the Bates stamp.

12 MR. STEIN: Thank you.

13 Q. BY MS. IBARRA: So I think we covered 13, and did
14 we cover 14, can you --?

15 A. I'm not sure, I don't think so.

16 Q. So failure to withdraw from counsel discussions of
17 your status, you have actively given legal advice of tribal
18 council on your continuing status at assistant tribal
19 general counsel after I asked that you resign and as
20 counsel in the alternative terminate you, you never advised
21 tribal council that they must seek independent legal advice
22 in lieu of your own legal advisement.

23 MR. FORDYCE: Asked and answered counsel went
24 through Number 16 yesterday, we should now be on 17.

25 MS. IBARRA: Okay.

26 THE COURT: Do you have something further on 16.

27 Q. BY MS. IBARRA: Do you have anything to add?

28 A. No.

1 Q. So let's just go to 17 then, conflict of interest
2 Number 3, advice and CEO Jonathan Stein. You failed to
3 advise the tribal council and Mr. Stein of your conflict of
4 interest in advising against Mr. Stein continuing
5 relationship with the trying or the adverse effects if he
6 left because you owe a fiduciary duty to the CEO as you do
7 to the tribal council's this conflict was made especially
8 more acute by your advice that Mr. Stein should be
9 terminated instead of yourself?

10 A. I never said that Mr. Stein should be terminated,
11 he actual life resigned but all I was doing was defending
12 myself against allegations being made against me at the
13 time by Mr. Stein to the council.

14 Q. Was it your understanding that Mr. Stein was CEO
15 at this time?

16 A. Yes.

17 Q. Of the tribe.

18 MR. FORDYCE: Vague and ambiguous CEO as to what.

19 MS. IBARRA: CEO of the tribe.

20 MR. FORDYCE: CEO?

21 A. Of the tribe, no the of of the gaming authority.
22 He was the CEO of the tribal interest, had he no part in
23 the tribe itself.

24 Q. Is that what this says?

25 A. No but Mr. Stein often confused himself with the
26 tribe.

27 Q. What do you mean by that?

28 A. Mr. Stein really did believe this was his monies

1 and his project and it was completely his baby and he often
2 interchanged as I often interchange pronounce with names he
3 often interchanged himself with the tribes interest.

4 Q. Do you have anything further to add about that?

5 A. (Shakes head.).

6 Q. Okay let's move on to incompetent incompetence and
7 financial matters, so it says here you were trained at the
8 tribes be expense and the use of Quickbooks and to handle
9 the tribe's own bank account and as well as to report it.

10 THE COURT: Well let's find out conflict of
11 interest, what conflict of interest was he referring to,
12 was he --?

13 A. I don't believe there was a conflict of interest,
14 Your Honor.

15 THE COURT: Okay.

16 Q. BY MS. IBARRA: Did you believe you owed a
17 fiduciary duty to Mr. Stein?

18 A. To Mr. Stein, no.

19 Q. Is that what it says here?

20 A. No my duties were to the tribal council and to the
21 tribe, that's who you represented. As far as any employee
22 or other person who had a contract with the tribe,
23 obviously I'm not able to interfere with their contractual
24 relationships but my duties that were owed were owed to the
25 tribe, not to Mr. Stein.

26 Q. Okay. So is your testimony that that is
27 inaccurate?

28 A. Yes.

1 MR. FORDYCE: Vague and ambiguous, what is
2 inaccurate.

3 THE COURT: Yes.

4 MS. IBARRA: The statement that because you owe a
5 fiduciary duty to the CEO as you do the tribal council.

6 THE COURT: That misstates what's said there. It
7 doesn't say anything about fiduciary duty, so --

8 MS. IBARRA: It does, Your Honor.

9 A. It's specifically states because you have a
10 fiduciary duty to the CEO and to the tribal council, this
11 conflict was especially made more acute by your advice that
12 Mr. Stein should be terminated instead of yourself. I
13 never said that Mr. Stein should be terminated in fact I
14 think my exact many words impact Tori do you think they're
15 going to terminate you and let me quit I said everybody was
16 ex spend I believe.

17 THE COURT: Just so it's clear I was looking at 16
18 not 17 so I to see where that was stated there in 17.

19 MS. IBARRA: Okay.

20 Q. BY MS. IBARRA: We can move on to the next one?

21 A. Thanks.

22 Q. Incompetence and financial matters, you were
23 trained at the tribes expense on the use of Quickbooks and
24 to handle the tribes own bank accounts as well as reporting
25 on the tribal gaming authority's bank accounts, you failed
26 to properly account for tribal expenditures and render the
27 next reports in a timely and accurate fashion. Is that
28 accurate?

1 A. I was trained on Quickbooks, that was my first
2 interaction with that program at the time but no, he lists
3 the things that I supposedly didn't do correctly down from
4 18 through 21.

5 Q. So did I input stuff into Quickbooks?

6 A. I'm sure I did.

7 MR. STEIN: Objection.

8 MR. FORDYCE: Objection stuff vague and ambiguous.

9 MR. STEIN: And.

10 MS. IBARRA: Did you make entries.

11 THE COURT: Hold on let him state his --

12 MR. FORDYCE: Vague and ambiguous as to stuff.

13 THE COURT: Sustained.

14 MR. STEIN: And objection she's cutting -- the
15 witness seemed to not be finished with her answer.

16 THE COURT: There was an objection so yes, it was
17 a little bit confusing so -- but I do think the question
18 was ambiguous.

19 MS. IBARRA: Ambiguous, can I restate.

20 THE COURT: Yeah restate.

21 Q. BY MS. IBARRA: Did you make entries into
22 Quickbooks?

23 A. The balances for the accounts were the kept on
24 Quickbooks, I put in all of the inputs on to the account
25 statements, so if there was a check that was written I
26 personally would put who it was written to, what the check
27 number was, what the amount was so on and so forth.

28 Q. Were you the only person who made entries into the

1 Quickbooks?

2 A. I was supposed to be.

3 Q. Did -- supposed to be, so can you clarify that?

4 A. After things had started going south between
5 myself and Mr. Stein he had left two other people do it I
6 believe, David, I'm so sorry I can't remember his last
7 name, the summer intern David and later Carol Markin.

8 Q. We'll return to that. Moving on to 18, tribal
9 miscellaneous account, approximately 80 percent of the
10 entries were incorrectly labeled providing an inaccurate
11 picturing of five years of financial reporting and the
12 tribe's expenditure. This occurred after long session with
13 Mr. Stein to explain and supervise the entry of these
14 expenditures after Mr. Stein spent over six hours
15 correcting the labeling mistakes. You never entered the
16 corrections into Quickbooks. Mr. Stein instructed Ms.
17 Markin to do so?

18 A. This is not with regards to a bank account, this
19 is -- yesterday when I was testifying with regards to Mr.
20 Stein's alleged expenses that he was to be reimbursed for
21 by the tribe, when I was going over it in Quickbooks I was
22 the one that was stating that there were certain things
23 that shouldn't be put in as expenses of the tribe, I
24 thought they were his law offices and he agreed at that
25 time but then did later have, I thought David put them back
26 in.

27 Q. Okay. So that's what you is referring to?

28 A. I assume so, yes, that's the only thing that it

1 could be referring to.

2 Q. Number 19 FPPC reporting numbers inaccurate. The
3 2006 second quarter report was incorrectly done when Mr.
4 Stein blamed the subcontractor item man and company, it
5 turned out that the information you provide today Eichman
6 was incorrect, Eichman quit over the incident despite your
7 apology to them, do you recall what this is about?

8 A. I do. This is the accountant who I said had
9 resigned yesterday and said that they would never work with
10 us again because Mr. Stein was abuse to him and what
11 happened was --.

12 THE COURT: That Talley and company I think -- did
13 Eichman work for Talley?

14 A. I don't believe so, I believe Talley came in later
15 after everything blew up between the tribe and Mr. Stein I
16 believe but it was Eichman and company from what I recall.

17 MR. STEIN: Does the court need clarification.

18 THE COURT: That's fine, she said it was the prior
19 one.

20 MR. STEIN: It is not the prior one, that's what
21 I'm saying.

22 MS. IBARRA: Ms. Aronson can I just point you have
23 to the heading where it says FPPC reporting numbers
24 inaccurate, does that refresh your recollection?

25 A. Sort of. There was an entry where Mr. Stein
26 didn't want it marked as lobbying for some reasonable and
27 necessary reason because he hadn't reported it a lobbyist
28 payment and refused to change the categorization of it and

1 then spoke with Mr. Eichman and he agreed it was lobbying
2 money, and therefore, a fight ensued between Mr. Stein and
3 Mr. Eichman.

4 THE COURT: How do you know that? How do you know
5 what a fight ensued between Eichman and Stein?

6 A. Because when I did speak with Mr. Eichman and
7 repeatedly apologized for Jonathan's behavior and asked him
8 to stay with the tribe, he refused. He actually quit us.

9 MR. FORDYCE: Objection all hearsay.

10 MR. STEIN: Objection.

11 THE COURT: It is unless you heard something
12 between Stein and Eichman and then it is hearsay,
13 sustained.

14 Q. BY MS. IBARRA: Did Mr. Stein explain to you what
15 happened with Eichman?

16 A. It was so long ago as I sit here today I can't say
17 I remember a particular conversation. I'm not always sure
18 where the conversations came from and who I spoke with so I
19 can't state them.

20 Q. Is it your impression that Mr. Eichman didn't want
21 to work with the tribe.

22 MR. FORDYCE: Calls for speculation.

23 THE COURT: No, overruled.

24 A. No he specifically told me he would not work with
25 the tribe any more because of Mr. Stein.

26 Q. BY MS. IBARRA: My question is is that your
27 Impression today?

28 A. I recall my conversation with Mr. Eichman where he

1 told me the reason he was terminating his agreement with
2 the tribe was because of Jonathan's behavior whether that's
3 true or not and what he said to him would be hearsay but
4 that's what Mr. Eichman told to me.

5 MR. FORDYCE: Objection hearsay.

6 MR. STEIN: Objection hearsay.

7 THE COURT: Is it offered tort truth or her
8 statement that he quit, it's his statement that he quit,
9 it's her explain --

10 MR. FORDYCE: Your Honor how else is it being used
11 other than to show that he quit.

12 MS. IBARRA: Well it's.

13 MR. FORDYCE: So it would be for the truth.

14 THE COURT: Well let's put is it this way, the
15 court is not significant it for the truth.

16 MR. FORDYCE: Okay thank you Your Honor.

17 Q. BY MS. IBARRA: 20 --.

18 THE COURT: Accept for the truth he quit and said
19 I'm not going to work with them, he may have had a reason,
20 the reason is not the part that I'm accepting?

21 A. Fair enough.

22 MR. FORDYCE: Thank you, Your Honor.

23 THE COURT: Yeah, you understand.

24 MR. FORDYCE: Yeah.

25 MS. IBARRA: 20, new political contributions not
26 properly reported. You failed to collect and label
27 political contributions FP -- F political contributions and
28 instead labeled them federal contributions on Five of 10

1 checks at the end of session fundraisers. These mistakes
2 would later be -- later lead to further inaccurate FPPC
3 reporting in 2006 quarter and possible criminal penalties
4 against the tribal council and Mr. Stein. Do you recall
5 what this is about?

6 A. I do not recall what this is about.

7 Q. Do you recall any controversy concerning political
8 contributions besides what you just testified to?

9 A. Not besides what I just testified to, no. I
10 don't -- I know that there was never any criminal case
11 brought or any question of a criminal case being brought
12 against the tribal council or Mr. Stein on this basis. I
13 don't know what it's referring to.

14 Q. So the criminal part doesn't raise any --.

15 MR. STEIN: Objection calls for speculation.

16 THE COURT: What part is speculation.

17 MR. FORDYCE: Join.

18 THE COURT: What part is speculating again.

19 MR. STEIN: She said she's not recalling. She's
20 continuing questioning on something that she did not recall
21 about.

22 MS. IBARRA: I'm asking her specifically.

23 MR. FORDYCE: Join.

24 THE COURT: Overruled, overruled.

25 MS. IBARRA: About the criminal stuff, is that
26 something that you would ordinarily remember.

27 MR. FORDYCE: Objection vague and ambiguous as to
28 stuff.

1 MS. IBARRA: If there was --.

2 THE COURT: Overruled.

3 MS. IBARRA: No I said something, is the
4 criminal -- if something raises criminal liability is that
5 something that you would recall even 10 years later?

6 A. I would imagine so, it would be hard to forget
7 something that a crime was committed over something that I
8 did but there was a lot of allegations made by Mr. Stein at
9 that time and I don't recall this one to be hop he have
10 with you, I just don't.

11 Q. Okay. 21, failure to report and he race checks in
12 Quickbooks, your recordation of checks and deletion of
13 checks written but not used was highly suspect, you had
14 reported a \$25,000 to the California democratic party that
15 was never used and who's record caused a major stir with
16 the top echelon of the democratic party. Do you recall
17 what this is about?

18 A. Yes but it's not really true. So when you say do
19 I recall what it's about, this was about an argument or an
20 ongoing argument that I had with Mr. Stein about deletions
21 in Quickbooks when identify come in, checks that I had
22 written would be deleted from the Quickbooks and so I would
23 ask him what had happened and he would say oh it was
24 incorrectly done so we had to invoiced it out and I said
25 well you don't delete it from Quickbooks because now that
26 Check Number is gone and we don't know what happened to it
27 it should be voided out on Quickbooks and say that that
28 this was ripped up or threaded or whatever was happened to

1 it, and there was a check that was incorrectly written I
2 believe it could have been for the amount of \$25,000 so I
3 voided it, but I didn't think it should be deleted to
4 Quickbooks I thought there should be a record of every
5 check

6 Q. So you said that check was never written, or it
7 was written but it wasn't cashed or ever never sent?

8 A. If this is the check it's referring to, to a
9 California democratic parties, I can't say that was who
10 this check was to, I don't recall, but there was a check
11 that was written in a large amount and it turned out it was
12 improper name or something, so we did shred it and then --

13 THE COURT: Well what do you mean improperly
14 named?

15 A. We wrote it to the wrong party or something, so we
16 were going to rewrite the check in a party's name. I think
17 you couldn't write it to a democratic party -- Your Honor
18 I'm sorry I don't remember the reason why we write the
19 check but it was something with the name being incorrect,
20 but I'd always learned you voided the check but keep it in
21 the statement so you know what happened to it.

22 THE COURT: Right.

23 A. Jonathan just had it deleted and I thought that
24 might pose problems later on if there were checks missing
25 and nobody was able to say what had happened to them.

26 Q. BY MS. IBARRA: And then the next sentence also
27 number under Number 2 had you failed to erase checks to
28 several assemblymen that were never used which would lead

1 to false FPPC reporting, on the other hand you failed to
2 report certain checks that were issued, we still don't know
3 if Tobin and associates was paid twice for September 2006?

4 A. Again, I don't know what it's referring to, but
5 the fight that I was having with Stein with regards to this
6 was always whether things could be deleted with Quickbooks
7 it was my contention that they should never be deleted
8 under any circumstance and that there should be a record of
9 everything that occurred. If somebody received a check and
10 didn't cash it, it would be like anywhere else, the check
11 is still out there but the money would remain in the
12 account unless they cash it. I'm not really certain what
13 he's trying to say there.

14 Q. Was there a reason why a lot of these disputes
15 have to do with political checks.

16 MR. FORDYCE: Objection leading.

17 THE COURT: Overruled?

18 A. It was really important, the political checks that
19 were being written on behalf of the tribe was they were
20 accounted for the in the budget and so they had to be
21 written and --

22 THE COURT: When you say the budget are you
23 referring to the Libra budget?

24 A. Yes.

25 THE COURT: Okay the Libra budget.

26 A. Yes monies were the monies that were given to us
27 by Libra and we had an exact budget on how it was supposed
28 to have been spent and therefore, I know we had a lot of

1 arguments over that. The FPPC reporting, other than that
2 one instance h I don't remember there being a problem with
3 FPPC reporting and that was the event I told you with
4 Eichman.

5 Q. I'm going to ask you about -- to look at the Libra
6 budget and show me where the political checks -- it's 644
7 in the other one, I'll comb help had you because there's a
8 different binder.

9 THE COURT: So did you ever relabel F political
10 contributions and instead labeled they will federal
11 contributions?

12 A. It would have been -- anything that was labeled,
13 it would have been under the advice of Mr. Eichman, I think
14 that was what his role was was to say how things should be
15 labeled for lobbying purpose and for accounting purposes.

16 THE COURT: So do you know what something labeled
17 F political contributions means versus federal
18 contributions?

19 A. Not as I sit here today but I could have sworn the
20 difference was between federal and state.

21 THE COURT: So F political contributions would
22 mean state?

23 A. No no no I believe it would mean federal, I
24 believe that would be federal.

25 THE COURT: Okay?

26 A. I'm sorry Your Honor where are you looking.

27 THE COURT: I'm looking at 20 and the accusation
28 is you failed to incorrectly label political contributions

1 quote F contributions and I object stead labeled they will
2 federal contributions, I'm not sure --

3 A. I think what he was stating was we were stated to
4 label federal contributions F contributions and not
5 federal, I'm assuming that's what he meant I used a wrong
6 terminology in labeling and that wasn't to his particular
7 taste.

8 THE COURT: And that was criminal?

9 A. Well if he didn't report the monies that could be
10 criminal.

11 THE COURT: No matter how you labeled they will I
12 guess?

13 A. Right.

14 THE COURT: Okay?

15 A. It's like taxes, you have to declare all of the
16 monies earned but if I mislabel.

17 THE COURT: It could be misleading?

18 A. Correct.

19 THE COURT: But it doesn't matter how you have
20 label it, if you owe them money you owe them money, right,
21 but okay.

22 Q. BY MS. IBARRA: So 644 is the Libra agreement and
23 then I'm pointing the witness to '09 26 and '09 27 is the
24 budget attached to the Libra agreement.

25 THE COURT: What is the exhibit number.

26 MS. IBARRA: 644. And that is 0927 is where the
27 budget is and Ms. Aronson yesterday you said you did work
28 on some aspects of the Libra agreement?

1 A. I advised the council with regards to it, I did
2 not participate in its drafting.

3 Q. Do you recall this budget?

4 A. Yes.

5 Q. After you're done reviewing it, can you let us
6 know where political contribution right side allocated in
7 this budget?

8 A. Federal state and local funds.

9 THE COURT: Neli can you get me 644.

10 Q. BY MS. IBARRA: These are all, this was your
11 understanding that this was for lobbying?

12 A. Yes.

13 Q. Was it for anything else besides lobbying?

14 A. It would have been. The 2.197 million dollars was
15 only the first distributions of the entire I believe it was
16 \$21,000,000 agreement and so this was the funds that was to
17 be used. State fund, I believe there was an actual list of
18 who was going to get \$10,000 checks and who was going to
19 get \$5,000 checks, but if you see state fund 20 times
20 10,000, I think that's what it's referring to and then
21 state fund 30 times 5,000, I believe that's what that's
22 referring to.

23 Q. So you think there was a separate document that
24 listed specific people who were supposed to get
25 contributions?

26 A. Well, I know there was. It would have been agreed
27 upon at the tribal council meetings.

28 Q. So is it your testimony that this isn't complete

1 because there are other documents that modified this?

2 A. No that's not correct. This is the agreement.

3 Q. Yes.

4 A. And this is how the monies are to be spent and
5 then the tribal council would get together and decide how
6 these monies would be spent to each particular thing.

7 So --.

8 THE COURT: So they agreed to the categories but
9 which exact payments went out under the categories so for
10 example if you had 300,000 for a particular category, any
11 particular line item is something the tribal council would
12 decide how to spend?

13 A. Correct Your Honor.

14 THE COURT: Okay.

15 Q. BY MS. IBARRA: And those are tribal resolutions?

16 A. I don't know if they were formalized in
17 resolutions or if they were just something that was voted
18 on at the tribal council meetings.

19 Q. We might return to this and we'll just finish the
20 letter first?

21 A. Okay if you don't mind I'm going to get rid of it
22 though.

23 THE COURT: What are you getting rid of?

24 A. I'm going to put this aside Your Honor. I'm not
25 really getting rid of everything.

26 THE COURT: Oh okay. You're moving the book
27 aside, okay?

28 A. We're going to go back to it.

1 MS. IBARRA: Yeah in a little bit.

2 Q. So we left off, back to Exhibit 1 at actions
3 against interests of the tribal council and tribal
4 administration offices, you have taken several actions that
5 are clearly against the interest of the tribal council and
6 the tribal administration office. 22 says urging Carol
7 Markin to quit and you've already testified to that. Do
8 you want to add anything to that?

9 A. It states in here that basically I urged her to
10 leave the tribe in a closed door meeting. Well -- which
11 lasted over 30 minutes. During that meeting she cried on
12 my shoulder behind closed door because she had been berated
13 by Jonathan Stein, it was not me urge willing Ms. Markin to
14 leave, she quit because of highway she was treated.

15 Q. Okay Number 23.

16 THE COURT: What was of the problem, was she doing
17 something -- what was the complaint about her?

18 A. There was quite a lot that occurred with Ms.
19 Markin Your Honor, the biggest problem was she was hired by
20 Jonathan without the tribes prior approval and then when
21 the tribal council did approve her, Jonathan had promised
22 her a raise and they didn't approve the raise so that had
23 started off a whole of things and then Jonathan had tried
24 to get her to start writing checks and doing things in the
25 Quickbooks on the accounts and she wouldn't and I believe
26 that's why he yelled at her and called her names or
27 something but there was also a prior history between them
28 so.

1 THE COURT: Oh?

2 A. Yeah.

3 Q. BY MS. IBARRA: Okay Number 23 failing to take
4 direction from Mr. Stein, you have consistently failed to
5 maintain contact with Mr. Stein regarding your activities
6 and his niece or take direction from Mr. Stein, CEO and
7 your supervisor not the tribal council whom you service
8 with independent judgment. Is this accurate?

9 A. Yeah, I disagreed with Mr. Stein all the time.
10 Mr. Stein wanted me to not act independently of him, he
11 wanted the tribe to have a lawyer who rubber stamped
12 everything Mr. Stein did and honestly it became incredibly
13 impossible to keep working in that position because of it.
14 You have know did I fail to take direction from Mr. Stein
15 yes when I thought it was illegal, unethical or shouldn't
16 be done in the best interest of the tribe.

17 Q. Okay. Here again he mentions that he's CEO, did
18 he often make reference to himself as CEO?

19 A. He was CEO of the tribal gaming authority which
20 was the branch of the tribe that was trying to get the
21 casino deal so --.

22 Q. Right but he doesn't make that qualification
23 right.

24 MR. STEIN: Objection she's cutting off the
25 witness from saying what the witness wants to say.

26 THE COURT: Well overruled?

27 A. And the documents -- I'm going to nut my own two
28 cents and that is the document speaks for itself, this was

1 prepared by Mr. Stein, whether he said -- I've got to be
2 honest with you, I believe that he often thought and
3 intermixed himself with the tribe but I think stating that
4 eves the CEO, I think he meant of the gaming authority, I
5 do because that's what I was CEO of.

6 Q. So continuing, you have exhibited --?

7 A. For the record though.

8 Q. Yes.

9 A. I did not work for the gaming authority.

10 Q. Okay.

11 A. So when he says he's my supervisor to put that in
12 the same sentence as the CEO was confusing.

13 Q. So did he act as your supervisor?

14 A. Yes.

15 Q. So he thought of himself as your supervisor.

16 MR. FORDYCE: Calls for speculation?

17 A. I can say he acted.

18 THE COURT: Overruled, it's --.

19 Q. BY MS. IBARRA: Did you think of him as your
20 supervisor?

21 A. Under that part of the tribe as the gaming
22 authority, yes but I had independent legal advice. My
23 actual duties were always to the tribal council, that was
24 what I was, general counsel for the tribe.

25 Q. .

26 Q. Do you have any reason to believe that the tribal
27 council thought of Mr. Stein as your boss?

28 A. No I believe they did not think he was my boss

1 quote unquote. There were certain aspects of my job which
2 absolutely he would be the authority on but I was
3 independent -- I was supposed to have been independent of
4 him.

5 Q. Right. Buff you said -- you just said that he
6 wanted a lawyer who would rubber stamp everything he did?

7 A. Correct.

8 Q. So was your job then to --

9 MR. STEIN: Objection leading.

10 THE COURT: Overruled.

11 Q. BY MS. IBARRA: Was that your testimony?

12 A. Yes, that was exactly my testimony.

13 Q. So can you.

14 THE COURT: Summarizing.

15 MS. IBARRA: Can you expand on that more given
16 what you just testified about whether he was or wasn't your
17 boss?

18 A. All I can say is he thought he was my boss over
19 every aspect of the job, he thought that he could tell me
20 what to do and I was to jump and do it. Believe me,
21 there's nothing beneath me, if somebody asks me to take out
22 the garbage I'm going to take out the badge, I'm not that
23 person, but he want of the me to rubber stamp every single
24 thing he wanted done and not to act independently as an
25 attorney.

26 MR. FORDYCE: Your Honor move to strike all of
27 that as speculation Ms. Aronson thought what Mr. Stein
28 thought, she doesn't know what Mr. Stein thought and it is

1 speculative.

2 THE COURT: Well?

3 A. I would have taken out the garbage, I wasn't
4 speculating.

5 THE COURT: I would sustain that, maybe ask in a
6 different way?

7 A. I often did -- if I may.

8 Q. BY MS. IBARRA: Okay.

9 A. All of the arguments that are raised between
10 Jonathan and I is because I refused to do exactly what he
11 wanted me to do because I did not think it was in the best
12 interest and I could not legally advise the tribe to do
13 them, that was all of our fights.

14 Q. Well there's more here, so continuing with the
15 document, you have exhibited rebellious tendencies and a
16 disputatious nature in your dealings with Mr. Stein,
17 cutting off communication and refusing to do tasks
18 assigned, instead you have embarked upon tasks of your own
19 choosing without authority from Mr. Stein or supervision
20 from the tribal council. Do you have want to elaborate on
21 this?

22 A. I might have been a little rebellious, yes. I
23 never cut off communications with Mr. Stein, I just didn't
24 always do what he told me to do. If I did not think it was
25 part of the best interest of the tribe or something that
26 should be done.

27 THE COURT: Well was there ever a circumstance
28 where he thought it wasn't in the best interest but had he

1 told you to do it that way.

2 A. Yes.

3 THE COURT: Well what would that be?

4 A. He told me to bury a payment to a lobbyist. I
5 wouldn't do it.

6 THE COURT: What do you mean bury a payment to a
7 lobbyist?

8 A. There was at some point -- this is what I was
9 talking about with the FPPC, there was a payment that was
10 made to a lobbyist that was not reported for the quarter
11 and so he wanted me to bury that payment, go in Quickbooks
12 and do something that of nature. As far as I was
13 concerned, even if the tribal council told me to do it I
14 wouldn't because it wouldn't have been in my mind illegal
15 unethical and a whole host of problems. And so I believe
16 that was what started the whole fight with Eichman.

17 THE COURT: Okay. Was that the only instance
18 where you felt that he was giving you some direction that
19 you didn't want to take?

20 A. Making payments that weren't authorized under
21 either the budget or by the tribal council, removing things
22 that were inputted into Quickbooks and delete it rather
23 that big than to properly void it out, there was so many
24 times when he instructed me to do things when I thought
25 were counter to the tribal council interests. Going back
26 to where we were differentiating between being CEO and
27 actually being the tribe was he often -- and when I say he
28 I mean Mr. Stein, often remarked that he could get the

1 tribal council to do whatever he wanted anyway because he
2 had put 100 resolutions in front of them and got them to
3 sign each and every one, so as far as he was concerned
4 he -- and he said it specifically a million times he
5 thought the tribal council was just his bill puppet that he
6 could control and make do whatever he wanted to do.

7 THE COURT: Did he use those words?

8 A. He had told me over and over and over again he can
9 get the tribal council to do whatever he says, yes.

10 THE COURT: All right so he didn't use the word
11 puppet though but he --?

12 A. No but that was how it was characterized and he
13 had pretty awful things to say about every single thing
14 about the council members, he thought one was a drunk, he
15 thought one -- you have know what, let's just leave it
16 there and let me say he made disparaging remarks about each
17 of the council members and because of that he thought he
18 could control them.

19 MS. IBARRA: Okay.

20 Q. BY MS. IBARRA: 24, engaging in palace intrigue,
21 your role as in-house counsel is to help Mr. Stein get
22 legal entitlement to a casino and to provide independent
23 legal advice to the tribal council within your ethical
24 duties to the tribal administrative offices and Mr. Stein.
25 In lieu of following those duties of engaged in open
26 conflict with Mr. Stein and attempted to undermine him. Do
27 you think that's accurate?

28 A. I don't think his definition of my role is

1 accurate.

2 Q. Can you explain?

3 A. He is stating here, Mr. Stein is stating here in
4 Paragraph 24 that I am not to have an open conflict with
5 him. I don't see how I can't if what I believe --.

6 THE COURT: No 20 --?

7 A. 20.

8 MS. IBARRA: 24.

9 THE COURT: I'm sorry 24 is is the palace intrigue
10 allegation.

11 A. Yeah he basically states that in lieu of doing any
12 duties I would engage in open conflict with Mr. Stein.
13 Well according to Mr. Stein anytime I disagreed with him or
14 wouldn't do exactly what he told me to do I was in open
15 conflict and therefore, engaging in palace intrigue.

16 Q. BY MS. IBARRA: So did you have -- it says here
17 within your ethical duties to the tribal administrative
18 office and Mr. Stein. Did you believe you had ethical
19 duties to the tribal council administrative office and Mr.
20 Stein?

21 A. In a sense, yeah. I think I have ethical duty to
22 every contractor and employee of the tribe because I'm
23 tribal counsel. So do I have ethical duties to each
24 employee and contractor of the tribe, absolutely. But my
25 actual duties are to the tribal council and that's where I
26 think the confusion.

27 Q. What do you mean actual duties can you explain?

28 A. Who I have owed my legal -- who was I zealous Lee

1 representing, who was I legally bound to to have no
2 conflict with and to work for and advise was the tribal
3 council.

4 Q. So --?

5 A. I was not in any way, shape, or form an employee
6 of the gaming authority to which Mr. Stein was the CEO.

7 Q. So you're saying you had different duties to
8 tribal council than to the tribal administrative offices,
9 I'm trying to understand your testimony?

10 A. As an attorney h we have ethical obligations, we
11 must act ethically everywhere actually but any of my
12 clients I would have to be and have duties to their
13 employees, however the tribal council was who I reported to
14 and who I owed my actual duties to.

15 Q. Okay. I'm just trying to understand your
16 testimony. So you're saying you owed duties to the tribe
17 and any duties you owed to -- because the tribe is your
18 client, so any duties to any employees were derived from
19 the duties to your client?

20 A. Correct.

21 Q. Who was the tribe?

22 A. Correct. Although I am always required understate
23 bar rules to act ethically to everybody.

24 THE COURT: That's true?

25 A. So I mean it sounds like we're splitting hairs
26 here but do I have an ethical obligation to Mr. Stein,
27 absolutely I thought I did.

28 Q. Okay moving on, when faced with some of the causes

1 listed here you agreed to resign voluntarily, in a Sunday
2 conversation on September 3rd Mr. Stein stated he would not
3 support your candidacy as tribal general counsel but did
4 wish for you to continue work as an interim basis without
5 advancement, in answer you stated six times forget it I'm
6 shutting it down?

7 A. I had agreed to resign voluntarily because of the
8 threats Mr. Stein made against me personally and I didn't
9 want to spend the rest of my life fighting this. I did
10 review a letter that you gave me that I believe you're
11 going to submit as an exhibit.

12 Q. Sure.

13 A. The October 26 letter, I did review that today and
14 in doing so I realized that yesterday when I told you that
15 there was one meeting, there was actually two and so it was
16 during that first meeting where Stein had asked the council
17 to terminate me and that was where they said no and then he
18 resigned and kicked us out of his offices and that's when
19 we grabbed the books. This letter was written between that
20 meeting --.

21 THE COURT: This letter referring to Exhibit 7
22 one.

23 A. Correct Your Honor, was written between that
24 meeting and then a week later there was another meeting
25 which is when I brought the tape recorder, so there was
26 actually two different meetings and I could not fused them
27 and melded them yesterday into one. And just to let you
28 know, this letter refreshed my recollection with regards to

1 that which is the letter of October 26th.

2 Q. Yeah we'll return to that and that's why I wanted
3 it for clarity as to the time frame. Number 25, returning
4 to --.

5 MR. STEIN: I'm sorry Your Honor and if this is
6 inappropriate please continue, I just, I'm completely
7 confused now between what her testimony. If we could take
8 a second to clarify it, that would be great, if not we can
9 done it on cross?

10 A. Please do it own cross because I'm sure we're
11 going to get there any way.

12 THE COURT: You're talking about the two meetings?
13 Okay well we should clarify it but.

14 MR. STEIN: Because we now have three different
15 accounts of one meeting two meetings, meetings on different
16 dates and it would be helpful if we had a single account.

17 MS. IBARRA: Well, Your Honor wire going to go
18 through the exhibit she just referenced which is new and
19 that should clarify the time frame.

20 THE COURT: So we're going to clarify it.

21 MS. IBARRA: Yeah because it was more
22 contemporaneous than her testimony.

23 Q. So 25 failure to physically report to the tribal
24 administration office with Mr. Stein, do you want to add
25 something anything to this?

26 A. No.

27 Q. Number 26 explicit threats against Mr. Stein's
28 relationship and position as CEO. Despite your ethical

1 duties to the CEO you have actively threatened in a phone
2 conversation his position, you repeated four times in a
3 recent conversation everyone is expendable. When Mr. Stein
4 asked for your resignation clearly meaning that you would
5 seek to have -- probably to have Mr. Stein eliminated
6 instead of you?

7 A. It's incorrect in a sense that I did tell him that
8 everybody is expendable and I told him it several times but
9 it wasn't in relation to this because he had said that the
10 tribe could not exist without him, he was the moving force
11 behind the investments and he would close -- he was the one
12 who said he would close it down but I did say.

13 MR. STEIN: Objection.

14 A. Everyone is expendable and I do believe that.

15 MR. STEIN: Objection?

16 A. I do believe that any --

17 THE COURT: Hold on.

18 MR. STEIN: Hearsay.

19 MR. FORDYCE: Join.

20 MR. STEIN: No what you said overruled.

21 MS. IBARRA: Parties a party it's an admission.

22 THE COURT: Yeah what you said it's hearsay,
23 overruled.

24 A. But I do believe to this day he was expendable, I
25 do believe there was somebody else that could fit his shoes
26 and continue on with the tribe and could fill his role so
27 yes, I did say that to him several times.

28 Q. BY MS. IBARRA: Termination and instructions, as a

1 result of two of the foregoing problems and there are 26
2 listed, you are hereby terminated and you are instructed to
3 tender all books and records of the tribe and all material
4 concerning the tribe produced by you or third parties
5 during your representation to the tribe and instructed to
6 tender all copies of anything above to the tribe to retain
7 no records of the tribe or to retain no information,
8 confidential or otherwise, save your time sheets. You're
9 to tender any remaining hours or invoices or other requests
10 for compensation, all of it is to be completed on September
11 14th. A complaint will be made to the state bar on your
12 failure to comply with these instructions moaning other
13 things?

14 A. I can't believe he put that in writing but okay.

15 Q. Two, law enforcement agencies will be notified of
16 the tribes books and records for your own financial gain?

17 A. Okay.

18 Q. Do you want to add anything to any of this?

19 A. Just that to state that you must do something or a
20 complaint will be filed with the state bar was exactly the
21 extortion that I was speaking of earlier and the fact that
22 he put that in writing to me is absolutely unbelievable.
23 And by the way, yesterday we had wondered who had prepared
24 this document. It definitely was prepared by Jonathan
25 because it says very truly yours, Jonathan Stein and it was
26 to be approved by the tribal council members so even though
27 it was not signed that was who have prepared the document.

28 Q. Right. Can I ask about the tribal books and

1 records?

2 A. What had happened, and this is what I had melded
3 together yet. The books and records were taken prior to
4 this.

5 MR. STEIN: Objection nonresponsive.

6 THE COURT: Overruled?

7 A. Letter being written, after reviewing my letter
8 chronologically what had happened was in the very beginning
9 of September, I believe it was September 3rd it says here,
10 was the meeting at Mr. Stein's offices or the tribal
11 council offices where we had had our first open discussion
12 with the tribal council, whether it was going to be
13 basically -- whether I was going to be terminated and at
14 that time the tribal council would not terminate me, Mr.
15 Stein said it's me or him and the tribal said they're not
16 terminating me so Mr. Stein resigned, put it in writing I
17 believe and kicked us out of his office, as we were getting
18 kicked out of the office, that's when we grabbed the books
19 and all of the things that we could carry. In the interim
20 between that meeting and a secondary meeting which was
21 actually held the following week is when this letter
22 appears to be written. And I do not remember the exact
23 dates, I only have them or know of them because of this
24 declaration, I don't have obviously independent
25 recollection of it.

26 THE COURT: What's the second meeting you're
27 referring to now?

28 A. The second meeting was when Mr. Stein and I

1 continued to have conversations over the course of a week.

2 THE COURT: Is that when they brought this letter
3 in and Mr. Stein went in first and pinched why you should
4 be terminated and please sign this termination letter and
5 they said no we want to hear from her and she goes in
6 meaning you go and give your explanation, that's the
7 second.

8 A. Yes where I had the tape of Mr. Stein and that's
9 where he through the tape recorder was the second meeting
10 and he did again kick us out of his office that day but
11 there were actually two distinct and separate of meeting
12 but yesterday I blurred them into one in fact I know I did.

13 THE COURT: Was that the clarification you were
14 looking for.

15 MR. STEIN: In part and I think that's sufficient
16 for now thank you.

17 THE COURT: All right.

18 Q. So why don't we move on to that second, that
19 document you just reference which we said was 25 Five
20 Neli?

21 THE CLERK: 25 four.

22 A. Can I just get rid of that.

23 MS. IBARRA: You can put it aside.

24 MR. STEIN: What exhibit is this.

25 THE CLERK: 25 four.

26 MS. IBARRA: Plaintiffs 25 four.

27 MR. STEIN: Your Honor if I can mention, she's
28 obviously there's nothing wrong with 254 but this is --

1 this is 10 pages single spaced it's basically exact -- just
2 the same thing as what she's just testified. I'm more than
3 happy to take the time, I'm just asking on
4 cross-examination we get equal time. That's all.

5 MS. IBARRA: We're not going to go through the
6 whole thing.

7 THE COURT: Well, it's in evidence, you don't have
8 to go through every single word, but pick out the salient
9 parts you want to talk about.

10 MR. FORDYCE: And, Neli, that was 254?

11 THE CLERK: Yes.

12 MR. FORDYCE: Thank you.

13 Q. BY MS. IBARRA: So why don't you describe it
14 actually, are you familiar with this document?

15 A. I am. This is a letter that I wrote to Mr. Stein
16 after that second meeting, went out and obtained counsel
17 and it was Seyfarth Shaw, Mr. Jeffrey long was his attorney
18 and he had written a letter stating that Mr. Stein was
19 going to sue me in Los Angeles court for several different
20 causes of action.

21 THE COURT: This is long wrote you a letter.

22 A. Yes, it was in response to that letter that I
23 wrote this.

24 Q. BY MS. IBARRA: So can we start on Page 2 of the
25 fax -- actually Page 3 of the fax, it's Page 2 of the
26 letter.

27 MR. STEIN: Your Honor, Your Honor I diligently
28 spent every free moment I've only gotten through half.

1 THE COURT: Well you can read it at the break.

2 MR. STEIN: Very good.

3 THE COURT: This was a letter that was address
4 today your attorney, right?

5 A. (Nods head.)

6 MR. STEIN: Yes.

7 MS. IBARRA: And it was produced by Mr. Stein
8 during the course of discovery in this action.

9 MR. FORDYCE: Because we produced everything.

10 MR. STEIN: I haven't seen it in 10 years.

11 MS. IBARRA: This is the first time I saw it.

12 MR. STEIN: I've tried my best to get it through.

13 THE COURT: With the counsel had to read your
14 entire experts record on the fly and that was produced on
15 the day of the hearing and I allowed that.

16 MR. STEIN: Thank you.

17 THE COURT: And this is been in your possession
18 tore 10 years so.

19 MR. STEIN: Thank you.

20 THE COURT: All right you have may continue.

21 Q. BY MS. IBARRA: Ms. Aronson if we can start at
22 Page 3 of the fax and it's Page 2 of the letter, just for
23 clarification was this ever mailed?

24 A. Yes, it was mailed and faxed.

25 Q. Can you look at the cover page to refresh your
26 recollection? At the cover page?

27 A. Oh. It states originally not being mailed, but I
28 could have sworn that I also stuck it in the mail.

1 Q. Page 3 of the fax, Page 2 of the letter, starting
2 with the second paragraph, it states, first, just states
3 before the agreement with Libra Securities being executed,
4 Stein terminated the tribe's outside counsel Marilyn
5 Barrett of Maguire Woods without consulting the tribal
6 council. His excuses for terminating her were
7 inconsistent. It was more than clear that his primary
8 motive was unethical. He simply wished to stiff Ms.
9 Barrett and her firm Maguire Woods of the fees they had
10 earned. Without consulting with the tribal council, he
11 refused to pay any portion of the monies due and owed to
12 Maguire Woods under its contract with the tribe. He wrote
13 a libelous letter to Ms. Barrett's employers exposing the
14 tribe to defamation liability. In my presence and the
15 presence of others, he repeated ly and justifiably
16 disparaged Ms. Barrett.

17 THE COURT: And un professionally disparaged.

18 MS. IBARRA: Unprofessionally disparaged -- can I
19 skip the epithet?

20 THE COURT: No.

21 MS. IBARRA: Okay. Calling her an angry dike. I
22 repeatedly and over my objections gave the tribal council
23 false and misleading legal advice as to their liability to
24 Maguire Woods for its fees. The entire dispute was
25 manufactured by Stein out of wholecloth and threatened harm
26 to the tribe's reputation with a respected law firm as well
27 as its relationship with Libra securities. Due to this, I
28 convinced the tribal council to allow me to mediate the

1 attorneys' fees dispute without Stein's interference.
2 While doing so, I learned that Ms. Barrett possessed
3 e-mails and witnesses, including those employed by the
4 tribe's investors that's contradicted each and every one of
5 the claims and allegations Stein had made against her to
6 the tribal council and to me. Is this accurate.

7 A. Yes and if I could -- it goes back to that letter
8 that Mr. Stein wrote that was Exhibit 72 I believe. We
9 were not mediating a dispute, we were being advised to
10 breach a contract, our contract was with Marilyn Barrett
11 and Maguire Woods for legal fees that were already incurred
12 and Jonathan's advice was to stiff her and to not pay our
13 contractual obligations. You have know it's the scorched
14 earth policy that comes up over and over and over again, in
15 the letter he's saying oh we should have waited and then we
16 would have been able to talk our fees down because she was
17 leaving for another law firm, well that doesn't yes we can
18 screw all of our creditors buzz that's not what we should
19 be doing, we should be paying our debts we should be
20 keeping our reputation, more than that he didn't tell them
21 about the liability that they would have for other things
22 outside of the breach of contract including for the slander
23 and liable and defamation and every other thing they would
24 have put in litigation plus we would have incurred
25 litigation fees and so here he is saying I should be fired
26 because I refused to advise them to pay a creditor. I --
27 it's just how everything is twisted so there's my take on
28 it and then there's Jonathan's take on it and it is what it

1 is.

2 Q. Can I point you to the sentence right after the
3 epithet he says repeatedly and over my objections gave the
4 tribal council false and misleading legal advice as to
5 their liability to Maguire Woods for its fees. Is --?

6 A. Exactly what I'm referring to is what he stated in
7 Exhibit 72 where he's saying no no we can talk the fees
8 down if you wait and don't pay her anything, stiff her
9 basically. And I thought that was misleading because that
10 is this idea that you can just have a war of attrition on
11 everybody and eventually not have to pay your Defendants
12 but it does leave you open for all kinds of legal woes that
13 he just was advising them about, plus he's not supposed to
14 be giving them legal advice at all so that was one of my
15 main problems was he was always trying to vote oh my legal
16 advice where he had a contract with SMDC stating that he
17 wasn't allowed to give legal advice. Pursuant to the terms
18 of his own contract with the tribe.

19 Q. So are you saying had he violated the terms of his
20 own contract.

21 MR. FORDYCE: Calls for a legal conclusion?

22 A. As an attorney I would say yes.

23 THE COURT: Sustained the answer is stricken
24 that's the Court's determination under the contract.

25 MR. FORDYCE: Thank you, Your Honor. Yes.

26 MS. IBARRA: Got it.

27 Q. BY MS. IBARRA: Moving on, Stein's treatment of
28 coucilmember Sam Dunlap has been outrageous. Prior to my

1 employment, Stein had brought an action against a small
2 group of individuals claiming to represent the
3 Gabrielino-Tongva Tribe. Stein lost resulting in a
4 judgment, the Morales judgment, against the tribe and
5 individual councilmembers including Sam Dunlap. As a
6 result, Sam Dunlap was forced to file bankruptcy to which
7 Morales brought a complaint for nondischargeability. Is
8 this accurate, was this your understanding?

9 A. Yes I think we went over this yesterday.

10 Q. Yes. Was it your impression that Stein lost
11 resulting in a judgment, the Morales judgment against the
12 tribe?

13 A. It was my understanding Stein was their underlying
14 attorney, yes.

15 Q. Moving on to the next one, at the time that the
16 investor monies came in, the tribe owed Dunlap
17 approximately \$65,000.

18 MR. STEIN: Excuse me Your Honor she's moving very
19 fast, I believe that she forgot to read the footnote that
20 says that Rae Lamothe was the attorney of record and not
21 Mr. Stein.

22 THE COURT: Well there's a footnote.

23 MS. IBARRA: Oh I see yes.

24 THE COURT: There's a footnote. Why don't we go
25 back and read it and read the footnote.

26 MS. IBARRA: Yes. Mr. Stein's treatment of
27 councilmember Sam Dunlap has been outrageous. Prior to my
28 employment Stein had brought an action and then the

1 footnote is --

2 THE COURT: Footnote one.

3 MS. IBARRA: Footnote one is counsel of record was
4 Rae Lamothe, but I understand that Stein did all the work
5 on the case.

6 MR. FORDYCE: And objection to hearsay.

7 MR. STEIN: Objection hearsay.

8 THE COURT: Overruled?

9 A. Can I --.

10 THE COURT: You're the one who asked to have it
11 read and now you're objecting, you have want it in or you
12 want it out.

13 MR. STEIN: Forgive me, forgive me.

14 MR. FORDYCE: Counsel of record was Rae Lamothe.

15 MR. STEIN: Forgive me.

16 THE COURT: I'm just saying do you want it in or
17 do you want it out.

18 MR. STEIN: The courtroom makes a good point my
19 apologies.

20 THE COURT: So you're withdrawing the objection.

21 MR. STEIN: I'm withdrawing the objection.

22 Q. BY MS. IBARRA: But we read t Ms. Aronson is this
23 accurate?

24 A. Yes.

25 Q. Is everything else in there accurate too to the
26 best of your recollection.

27 MR. FORDYCE: Objection vague and ambiguous as to
28 this in there.

1 THE COURT: Sustained.

2 MS. IBARRA: In that paragraph that we just
3 said.

4 A. Yes in fact everything in this letter that I
5 reviewed just prior to coming on the stand is true and
6 correct to the best of my knowledge I wrote the letter, I
7 believe every word of it, but do we have to read the entire
8 thing into evidence.

9 Q. No we have don't have to read the entire thing?

10 A. Thank you.

11 Q. But I do want to highlight something to after --
12 to skipping the next paragraph, the paragraph after that.

13 THE COURT: Well he says here, I want to look at
14 something, you tell me why you think it is the case?

15 A. Okay.

16 THE COURT: I personally heard Mr. Stein give Sam
17 Dunlap legal advice regarding the bankruptcy.

18 A. Yes. This goes back.

19 THE COURT: What are you -- what are you referring
20 to?

21 A. Basically Sam had --.

22 THE COURT: Because you're saying I heard him say
23 in this letter, right?

24 A. I did. And he was giving him advise with regard
25 toe nondischargeability complaint that Anthony Morales had
26 and I was in the room at the time he did and I told him at
27 that time you can't advise him.

28 THE COURT: Huh told him?

1 A. I told Jonathan not to advise him -- Sam actually
2 had his own attorney on this bankruptcy matter and Sam's
3 attorney had advised him one thing and Mr. Stein was trying
4 to advise him something completely different and again, it
5 was 16 those things where I was just like you need to stop.

6 MR. FORDYCE: Your Honor can we stipulate that
7 even if the advice was given it was given to Mr. Dunlap and
8 not the tribe.

9 A. Yes agreed.

10 MR. STEIN: And -- I'm sorry.

11 THE COURT: Okay.

12 MR. FORDYCE: Just for the record.

13 MS. IBARRA: Well as to the specific reference
14 here, I mean we're not stipulating to other advice that was
15 given and that other people have testified to?

16 A. It is what it is, I mean it is. He gave advice, I
17 heard him do it but it was to Mr. Dunlap personally not as
18 council member of the tribe.

19 Q. Was to what you're reference-g in this letter?

20 A. Yes.

21 Q. Yes. So moving on to the next paragraph this says
22 Stein advised the tribal council to lie to members of the
23 tribe, is this what you testified to yesterday?

24 A. Yes the monies had come in from Libra was sitting
25 in an account and there was -- the tribal council members
26 were specifically forbidden to allow the tribal members to
27 know of it, that it came in.

28 Q. I'm going to point you to a sentence that's Five

1 down in that paragraph, begins with Stein was unable to
2 settle the Morales judgment?

3 A. Yes.

4 Q. So Stein was negotiating the Morales judgment?

5 A. Yes.

6 Q. Is that consistent with what you testified to
7 yesterday?

8 A. Yes.

9 Q. And then just so the last line in the -- the last
10 line in the sentence that starts in this page, as I
11 repeatedly told Stein without effect the
12 nondischargeability complaint would have to be dismissed
13 and the bankruptcy law once the underlying debt was paid
14 under the settlement. This is more about his advice to Mr.
15 Dunlap?

16 A. Yes I think that's what it was was Sam Dunlap
17 Sam's attorney had told him that he didn't need to worry
18 about it but again in Exhibit 72 even Stein said in Exhibit
19 72 I had failed in the Morales settlement to obtain a
20 dismissal of Sam's nondischargeability complaint in the
21 bankruptcy of Sam Dunlap but it was moot. But more than
22 moot it wasn't our problem and it wasn't something that had
23 anything to do with the tribe, it was a personal thing with
24 regards to Sam Dunlap.

25 Q. Okay. I'm going to skip the next paragraph?

26 A. Thank you.

27 MR. FORDYCE: Your Honor we've been going for over
28 an hour can we take a Five minute, 10 minute whatever.

1 THE COURT: Let's do that. You have may step
2 down.

3 A. Do you mind if I don't I have a little bit of
4 arthritis it's hard to step down.

5 THE COURT: No that's fine?

6 A. Is that cool.

7 THE COURT: Yeah you play remain seated?

8 A. Thank you Your Honor.

9 (Break taken.) 10:39 AM to 10:50 AM.

10 THE COURT: All right you may continue.

11 MS. IBARRA: Okay.

12 Q. BY MS. IBARRA: We left off with exhibit 25 four
13 and I'm going to skip most of this, I'm going to -- because
14 you've already stated you think everything in here is
15 accurate?

16 A. Correct.

17 Q. So I just want to go to Page 3 of the letter, Page
18 4 of the fax. So the second full paragraph, Stein also
19 repeated made disturbing comments regarding the tribes
20 financial records, he very specifically told me that he
21 wanted to use Quickbooks because it enabled the user to
22 change the records at any time. Do you want to expand on
23 that?

24 A. I think that's what we were discussing earlier
25 with him refuse to go void out checks and instead rip them
26 up and pretend they never existed.

27 Q. So moving on to the next paragraph the only thing
28 I want to point out here is Line 1 two three four Five,

1 there's a reference to a David DeKorte, do you know who
2 that is?

3 A. That was the summer intern whose name I couldn't
4 recall, it was David DeKorte.

5 Q. Do you know how long he worked for Mr. Stein?

6 A. Less than he was supposed to, he was supposed to
7 be there the entire summer but he was fired sometime
8 before.

9 Q. Do you know if he worked with Mr. Stein any prior
10 summers?

11 A. No I don't believe he H* ever had.

12 Q. So this was his first summer with Mr. Stein?

13 A. Yes.

14 Q. Do you know anything about a 120 page legal brief
15 that --?

16 A. I'm sorry?

17 Q. A 120 page legal brief.

18 MR. FORDYCE: Vague and ambiguous.

19 THE COURT: Overruled?

20 A. I don't know anything about a 120 page legal
21 brief, I don't know what you're referring to.

22 Q. Okay. Did Mr. David DeKorte draft legal briefs
23 when he was working with Mr. Stein?

24 A. My understanding was that David DeKorte had been
25 hired that summer to work for the tribe to prepared some
26 kind of paper with regards to the tribes origin, something
27 that they could use to help get the tribe recognized.

28 Q. And so this would be the summer of 2006?

1 A. I've got to be honest, yeah I know I worked with
2 him the summer of 2006 but I don't know whether he had ever
3 worked with him before, I don't believe so, he was from
4 another state.

5 Q. I see, okay. Moving on to the next paragraph is
6 on another occasion Stein asked me to bury a payment to one
7 of our lobbyists because had he had not reported it to the
8 tribes FPPC statement. Do you want to add anything to
9 this?

10 A. I think we already went over that.

11 Q. Covered it?

12 A. (Nods head.).

13 Q. Okay. So then I would just go to Page 4 of the
14 letter, Page 5 of the fax, the third full paragraph,
15 there's a reference to FPPC advisor Richard Eichman, does
16 this refresh your recollection as to what his position was?

17 A. Mr. Eichman's?

18 Q. Yes.

19 A. He was our FPPC advisor I testified to that
20 earlier.

21 Q. I think it was he was an account account.

22 MR. FORDYCE: Counsel is testifying?

23 A. I'm sorry.

24 THE COURT: Okay sustained restate the question?

25 A. I think I. --

26 THE COURT: Ma'am I asked her to restate the
27 question.

28 Q. BY MS. IBARRA: Does this refresh your

1 recollection as to who Mr. Richard Eichman was?

2 A. Yes. And I think I had stated earlier was that
3 that was what he was advising us on, was the FPPC and how
4 different categories should be classified.

5 Q. Do you know if had he any other duties with
6 respect to the tribe?

7 A. For some reason I thought he was an accountant,
8 but apparently he wasn't.

9 Q. So the next paragraph I actually do want to cover,
10 Stein argued needlessly with Sam Dunlap. In retaliation,
11 Stein instructed me not to sign checks to repay Dunlap for
12 expenses he incurred during a trip to Fresno on tribal
13 business and for tribe promotional item. Stein ripped up
14 the check I prepared and removed it from the account
15 ledger. Is there anything you want to add to this?

16 A. No.

17 Q. Do you have a specific recollection of this?

18 A. Not outside the letter, no but the letter was
19 written right after it happened so I would believe the
20 letter over my 11 year Old memory.

21 Q. So the next paragraph, the second sentence, on one
22 occasion Stein offered me a car, a \$100,000 bonus, a raise,
23 a percentage of gaming revenues all without tribal council
24 approval. Do you have any specific recollection of this?

25 A. I do. I have to be honest though I never took any
26 of them seriously he did offer me a million things but I
27 know that he didn't have the capacity to even give them.

28 Q. You said you had a retainer agreement with the

1 tribe?

2 A. Yes. Well it's not a retainer agreement we had a
3 contract with the tribe and a resolution approving it.

4 Q. I see. And were you to be paid hourly or monthly?

5 A. Monthly.

6 Q. And you didn't have a percentage?

7 A. No.

8 Q. Of any casino revenue?

9 A. No.

10 Q. Okay that's all. Moving on to Page 5, Page 5 of
11 the letter, Page 6 of the fax, second to the last
12 paragraph, in the interim Stein it so abusive abused Carol
13 Markin that she resigned, she did this despite the fact
14 that Stein had promised without tribal council authority to
15 pay her \$100,000 a year and give her one percent of the
16 gaming revenues of any casino.

17 MR. FORDYCE: Well it's actually double hearsay
18 because it's the document and then the statement in the
19 document.

20 Q. BY MS. IBARRA: Were you present when this
21 occurred.

22 THE COURT: I'll reserve ruling on it until you
23 can.

24 MR. FORDYCE: Okay.

25 THE COURT: Lay a foundation for that?

26 A. I've got to be honest, I think it was Carol who
27 told me in during that conversation I had with her when she
28 was crying, I don't believe I ever heard Mr. Stein actually

1 say that to her.

2 MR. FORDYCE: So same objection?

3 A. Understood. Oh sorry.

4 THE COURT: Same objection?

5 A. Double hearsay.

6 THE COURT: I have won't receive it for the truth
7 of the matter?

8 A. Thank you. And I apologize Your Honor.

9 Q. BY MS. IBARRA: All right. Moving on to Page 7 of
10 the letter.

11 MR. FORDYCE: Seven of the fax or seven of the
12 letter.

13 MS. IBARRA: Seven of the letter, the facts number
14 on top is missing, I assume it's eight. So the second full
15 paragraph, in the meantime Stein told Virginia Carmelo that
16 checks needed to be issued for lobbying purposes prior to
17 the midterm elections?

18 A. I'm sorry I'm on the wrong page.

19 THE COURT: Where are we I'm missing too.

20 MS. IBARRA: It's Page 7 of the letter, Page 8 of
21 the fax?

22 A. Oh okay, it only says seven on the top that's why
23 I was confused I thought that was the fax.

24 Q. Yeah.

25 A. Which paragraph.

26 Q. So the second full paragraph.

27 A. Got it, okay.

28 Q. In the meantime, Stein told Virginia Carmelo that

1 checks needed to be issued for lobbying purposes prior to
2 the midterm elections. Accordingly, both Stein and
3 Virginia requested that I as the only signatory on the
4 account issue the checks. Stein gave me his Federal
5 Express shipping account number so that I could overnight
6 the checks to the candidates. I did as requested, however
7 I learned the next day that Stein had found out that the
8 tribal council had decided to accept his resignation and
9 that in retaliation, he contacted the banks and told them
10 to place a freeze on the tribal accounts. Accordingly the
11 checks that were issued bounced.

12 MR. STEIN: Objection; it's hearsay.

13 MR. FORDYCE: It's double hearsay.

14 MR. STEIN: It's hearsay her letter.

15 THE COURT: No some of it isn't.

16 MS. IBARRA: It's Mr. Stein's statements.

17 MR. FORDYCE: It's Mr. Stein's statement out of
18 court used for truth so it's hearsay.

19 THE COURT: It's an admission if it's his
20 statement so his statement are received. Other statements
21 are not.

22 MS. IBARRA: Are there other statements in here,
23 oh just Virginia's statements.

24 Q. Do you want to expand on that.

25 THE COURT: Although they can be received not for
26 the truth those statements but Stein's statements can be
27 received for the truth?

28 A. I don't know how to expand on it, it's what

1 happened. After that last meeting in which Stein had
2 thrown the tape recorder, I thought I was going to be able
3 to resign and walk away and while that process was
4 occurring both Jonathan Stein and Virginia Carmelo did call
5 me and specifically request that certain checks be written
6 under the agreement with Libra because the second tranch of
7 the investment funds was about to come in or was supposed
8 to come in but we were falling behind on what we were
9 supposed to do to meet the criteria to receive that second
10 installment of funds so yes, I did write a whole bunch of
11 checks and I did it pursuant to Mr. Stein's request and
12 they did all bounce because he closed the accounts or put a
13 freeze on them.

14 MR. FORDYCE: It lacks foundation, move to strike.
15 What have we seen, what evidence have we seen about these
16 checks apparently bouncing Your Honor.

17 THE COURT: With the I guess the question would be
18 how do you know did you know that Mr. Stein closed the
19 accounts and checks bounced, in other words what's the
20 foundation I think is the appropriate objection?

21 A. Well when I went to the banks we couldn't get any
22 further monies out and it had been frozen and I did have
23 correspondence but it would have been with his attorney Mr.
24 long at that point where he stated that.

25 THE COURT: So Mr. Stein's attorney said that he
26 had -- Mr. Stein had closed them.

27 MR. FORDYCE: Well, that's hearsay?

28 A. I don't think there's any --

1 MS. IBARRA: It's his agent.

2 THE COURT: No, it isn't but --

3 MS. IBARRA: He's Mr. Stein's agent.

4 THE COURT: -- the question is where is that in
5 the record? I mean, do we have a letter from Mr. Stein's
6 attorney?

7 A. No. More than that, though, it wasn't the
8 underlying litigation, Your Honor. I don't think prior to
9 right this second Mr. Stein ever denied putting a freeze on
10 the accounts. He thought -- and created a second branch of
11 the tribe and that's what this entire case had been about.

12 MR. FORDYCE: That actually lacks foundation that
13 Mr. Stein created a second branch of the tribe, we've had
14 multiple witnesses testify to exactly the contrary.

15 MS. IBARRA: That's not -- I would -- that was the
16 whole first part of the trial.

17 THE COURT: Yeah that was the whole first part of
18 the trial and that's already been did I spite-d.

19 MR. FORDYCE: I'm not disputing the real party in
20 interest interest issue but that is separate and apart from
21 this witness sitting there and saying that Mr. Stein
22 created a second branch of the tribe, that absolutely lacks
23 foundation.

24 THE COURT: I'm going to overrule it.

25 MS. IBARRA: Yeah.

26 THE COURT: Overrule just keep going?

27 A. Thank you.

28 Q. BY MS. IBARRA: Let's go on to the second -- the

1 next paragraph after that. Since his resignation and/or
2 termination, Stein has failed and refused to turn over
3 tribal records and continues to fraudulently hold himself
4 out as a representative of the tribe, he has sent
5 unauthorized correspondence on tribal letterhead to the
6 entire tribal membership. Moreover, I have been informed
7 that Stein purportedly on behalf of the tribe made illegal
8 promises and campaign contributions in exchange for
9 candidates' votes while he was in Sacramento. In spite of
10 all of his misconduct, Stein is now threatening to file a
11 lawsuit, exclamation point.

12 MR. FORDYCE: So I suppose maybe triple hearsay I
13 have been informed that Stein has --.

14 THE COURT: Okay let's cut to it.

15 MR. FORDYCE: Okay.

16 THE COURT: This is her explanation as to why this
17 lawsuit is un meritorious.

18 MR. FORDYCE: Uh-huh.

19 THE COURT: Okay? So it is received for that
20 purpose, so it's coming into evidence, okay? This is her
21 explanation to these lawyers as to why Mr. Stein's
22 threatened litigation and complaint is un meritorious, this
23 is what she believes the facts to be, statements that Mr.
24 Stein made to her or otherwise admissible, they're coming
25 in for the truth but the rest of it can come in because
26 it's her explanation as to why the complaint has no merit
27 so you can't -- it can come in in total for different
28 purposes but so.

1 MR. FORDYCE: Understood.

2 THE COURT: So.

3 MR. STEIN: I think that's a very complete
4 explanation, we accept that, it's a very complete
5 explanation.

6 THE COURT: I guess I don't want this objection
7 brought over and over make it clear why it's coming in, so
8 Mr. Stein's statement, thank you Your Honor get it.

9 THE COURT: If she overheard something Mr. Stein
10 said it comes in for the truth, it's an admission, he may
11 disagree with t he may say I never said that, whatever, but
12 her testimony comes in as an admission, the rest of it
13 which you have characterized as hearsay is coming in for a
14 different purpose and I've just explained what that purpose
15 is.

16 MR. FORDYCE: Yes.

17 THE COURT: Just so it's clear what the reasoning
18 is.

19 MR. FORDYCE: Got it Your Honor thank you.

20 MR. STEIN: That's a very clear explanation, we'll
21 fully accept it and we'll try to not interrupt as much.

22 THE COURT: Well independents the objection and
23 I'm just trying to explain the ruling and where they're
24 coming from.

25 MR. FORDYCE: And that's.

26 THE COURT: That's all right you object when you
27 have around objection but if it's the same one I thought I
28 could just explain the ruling because.

1 MR. FORDYCE: Understood Your Honor.

2 THE COURT: It will be the same objection and the
3 same ruling pretty much.

4 MR. FORDYCE: Thank you.

5 Q. BY MS. IBARRA: So as to whether Mr. Stein froze
6 records, can we look at 68 because that was one of the
7 court's questions, 68 is an e-mail. Oh actually I'll just
8 have you look at t see if you recognize it. Do you
9 recognize that Ms. Aronson.

10 THE COURT: Just so -- we're on '68 now, we've
11 moved on from --.

12 MS. IBARRA: Well just to clarify that point,
13 we're going to finish this letter shortly but as to '68 Ms.
14 Aronson do you recognize this?

15 A. I've got to be honest, I don't. It sounds exactly
16 like everything I've heard and seen but this exact e-mail,
17 no I don't recognize it.

18 Q. So I just have a short questions about this, is
19 your e-mail on here, do you see your e-mail on here?

20 A. Yes it's on there.

21 Q. So was this sent to you?

22 A. I'm sure it was.

23 Q. So can you look at number -- there's two sequences
24 here, can you look at number one in the second numerical
25 sequence below?

26 A. The tribes money is frozen for two weeks, it will
27 be returned to investors if the current problems are not
28 sorted out, you have my word on that.

1 Q. And who's this e-mail from?

2 A. Jonathan Stein.

3 Q. And what's the date on it?

4 A. September 10th, 2006.

5 Q. So can we just go back to the fax?

6 A. They are what they are, I don't recognize the
7 e-mail but it is what it is.

8 Q. I know we're almost done so if you can just bear
9 with me?

10 A. Sure.

11 Q. So the next paragraph after the one we talked
12 about, since his resignation and/or discrimination Stein
13 has failed and refused to turnover tribal records and had
14 he continues to fraudulently hold himself out as a
15 representative of the tribe, he has sent unauthorized
16 correspondence on tribe letterhead to the entire tribal
17 membership. Moreover, I have been informed that Sten
18 puportedly on behalf of tribe made illegal promises of
19 campaign contributions in exchange for candidates votes
20 when he was in Sacramento in spite of all of this
21 misconduct. Anything that you want to add to this?

22 A. (Shakes head.).

23 Q. No?

24 A. No. I think I -- I think I poured my --
25 everything I had to say into this letter, I don't think I
26 held back any punches.

27 Q. Okay so skip the next two paragraphs and then the
28 last paragraph begins where here about the contract did not

1 exist, the contract Burnt Down had terminated in June in
2 2006. What is Burnt Down?

3 A. Burnt Down was the predecessor of Santa Monica
4 development company from what I recall.

5 Q. And so was it your understanding they also had a
6 contract with the tribe?

7 A. Yes.

8 MR. FORDYCE: Objection relevance, this is not --
9 this is not part of this lawsuit.

10 THE COURT: Well there's an explanation of what is
11 burnt down I guess?

12 A. Burn down is a --.

13 THE COURT: Yeah there doesn't appear to be any
14 dispute concerning a contract.

15 MS. IBARRA: But there was -- there was an
16 integration clause in the SMDC agreement so anything --.

17 THE COURT: Is that true?

18 A. I'm sorry I was reading any hear what you said,
19 I'm sorry.

20 MS. IBARRA: Well it was part of this lawsuit?

21 A. I'm still read, I'm so sorry I don't think what
22 this is but.

23 Q. I'm sorry.

24 A. That's okay.

25 Q. Let's move on from burn down. Stein terminated
26 the development contract in writing in July so that he
27 could become CEO of the tribal gaming authority what do you
28 mean by the development contract?

1 A. Tribal to the tribal gaming authority's formation,
2 there was a contract between Jonathan Stein and the tribe
3 of the Santa Monica development company was the name of the
4 organization I believe that Stein was the principle of and
5 that's who had the contract with the tribe. When he became
6 CEO of the tribal gaming authority they ended that prior
7 contract and started the new one under him as the tribal
8 gaming authority.

9 Q. Do you know --.

10 THE COURT: When you say a new contract was it
11 just a modification of the Santa Monica contractor are you
12 talking about some other completely different --?

13 A. It was a completely different, it would have been
14 him continuing to do the same type of work but now under an
15 arm of the tribe versus an independent contract that he was
16 the sole.

17 THE COURT: So when you say a contract -- there's
18 some other writing out there that -- there's some other
19 written contract that you're referring to?

20 A. No what happened was when he was transferring as
21 CEO of Santa Monica development company to become CEO of
22 the tribal gaming authority he ended his contract that he
23 had with the tribe under SMDC but they never formalized or
24 had a resolution adopting his new contract with the gaming
25 authority so he was kind of in a little gray area, one
26 contract had ended, another contract had not been
27 completed.

28 THE COURT: There was a contemplation that a

1 second contract would come into existence?

2 A. Yes.

3 THE COURT: But it never happened?

4 A. Correct.

5 BY {LEFT1}:

6 Q. So the SMDC agreement was terminated. Do you know
7 was there a resolution terminating it?

8 A. It says that he -- that Stein terminated the
9 development contract in writing in July so what that form
10 of that writing is I don't remember. I believe it was a
11 letter of resignation by Jonathan Stein saying that he
12 resigned his contract.

13 THE COURT: I have a question you've been
14 testifying there's there abuse and he's been abusive to
15 tribal members and terminating contracts and all this
16 stuff, why would they agree for him to be the CEO of the
17 tribal gaming authority? Was there a resolution that made
18 him the tribal gaming authority officer? I mean, they're
19 having all these problems and they're terminating and --

20 A. Well this was before the problems arose to the
21 point where the tribal council was so involved, yeah. So
22 he in contemplation of becoming CEO of this new branch of
23 the tribe, the tribal gaming authority he had I think
24 prematurely closed out the other contract but hadn't gotten
25 the new one in writing, it was going to be substantially
26 the same thing.

27 THE COURT: And the tribe was okay with that is my
28 question, was the tribe okay with that.

1 A. Yeah up until that first meeting where he kicked
2 us out of the office nobody wanted or had any intention of
3 firing or terminating Jonathan, it was a resignation that
4 point. And then the personality conflicts arose to the
5 point where -- let me take that back. Martin Alcala and
6 Sam Dunlap always had problems with Jonathan Stein, the
7 other four sitting members on the council had never had a
8 problem with Jonathan Stein personally until that first
9 meeting and that's when things blew up and I believe that
10 was the September 3rd meeting. After that it got to the
11 point by the second meeting nobody wanted to work with him
12 any more.

13 THE COURT: I have guess I'm having a little
14 trouble with the chronology, in other words?

15 A. I have to be honest after 11 years I am too but
16 from what I recall it was a very short period of time, it
17 was four months when I came in and when the blow up
18 occurred. And over the course --.

19 THE COURT: Well at what point did Mr. Stein
20 become the CEO of the tribal gaming authority?

21 A. Well that's the thing, he started calling himself
22 that.

23 THE COURT: Oh okay, he started calling himself
24 the tribal gaming authority?

25 A. But it had never been put into the tribal.

26 THE COURT: Main the tribal council never passed a
27 resolution doing that?

28 A. Correct.

1 THE COURT: Okay. So that was a plan by whom, do
2 you know?

3 A. Mr. Stein.

4 THE COURT: Okay. All right.

5 Q. BY MS. IBARRA: Can I have you look at -- can I
6 have you look at Exhibit 65. Does it look familiar to you.

7 THE COURT: Is this a new one or an old one.

8 MS. IBARRA: I believe this is a new one.

9 THE COURT: Exhibit 65.

10 THE CLERK: '65.

11 MR. STEIN: This is a new exhibit Your Honor.

12 THE COURT: Okay thank you. Exhibit 65 is new
13 which we can call, is it resolution 106.

14 MS. IBARRA: Resolution 106.

15 Q. And if I could point you to paragraph -- paragraph
16 number 5, be it further resolved that chief executive
17 officer and treasurer of the Gabrielino tribal gaming
18 authority Jonathan Stein be removed as signatory of the
19 Wells Fargo on behalf of the Gabrielino tribal gaming
20 authority, account number 1290056. So do you recall this
21 document?

22 A. Yes.

23 THE COURT: Were you a co-signator on that or was?

24 A. I was a co-signator, that was the account that he
25 was a signatory on.

26 THE COURT: But you were a co signator?

27 A. Correct.

28 Q. BY MS. IBARRA: So there was some -- there were

1 resolutions referencing the Gabrielino tribal gaming
2 authority?

3 A. The Gabrielino gaming authority existed. What was
4 never approved was an actual contract between Mr. Stein and
5 the gaming authority. Sew had been acting as its CEO but
6 my understanding was that he didn't have an actual contract
7 that was accepted under that name.

8 Q. I see. So was the SMDC agreement terminating and
9 then this new one came in?

10 A. Correct. And it was in that little space of time
11 between the end of SDMC (sic) and the gaming authority
12 where the contract had not been completed apparently
13 because I could find no resolution adopting it.

14 Q. Did you have any input into that agreement that
15 was being produced between the tribal gaming authority and
16 the tribe?

17 A. I've got to be honest as I sit here right now, I
18 don't think that we ever saw -- I don't think it was
19 actually physically created yesterday. I could be
20 absolutely wrong but no I would have had no input in any
21 document that was created.

22 MR. STEIN: What was not created?

23 A. I would not have prepared an agreement for you as
24 the CEO of the gaming authority. I would have eventually
25 advised the tribal council with regards to it and chances
26 are that they would have accepted it and adopted it but it
27 never occurred.

28 MS. IBARRA: Okay.

1 Q. BY MS. IBARRA: But your testimony is that the
2 SMDC agreement had terminated?

3 A. As I sit here today that is my memory, yes, he put
4 in writing that he was resigning as the CEO of the Santa
5 Monica development company -- resigning that contract but
6 the new contract had never been in.

7 Q. Okay. So looking at Defendant's Exhibit '68
8 three?

9 A. What Number 68 three which is in the white
10 notebooks, I'll come help you?

11 A. No it's okay.

12 Q. It's really big.

13 THE COURT: This is resolution 106. Who drafted
14 that.

15 MS. IBARRA: It's actually 108.

16 THE COURT: No I'm looking at 106, which is '65, I
17 know you've moved on by the resolution where the
18 signatories were changed, who drafted that, which is
19 resolution 106?

20 A. I believe I did. I drafted that on the day that
21 the tape recorder was thrown and that final day in his
22 office removing Jonathan as signatory, I actually drafted
23 that.

24 Q. BY MS. IBARRA: And what about 683?

25 A. What about?

26 Q. Resolution 108.

27 MR. STEIN: May we have a chance to catch up?

28 Q. BY MS. IBARRA: Are you familiar with this

1 document?

2 A. Yes.

3 Q. Did you draft this?

4 A. Whether I drafted it or the new attorneys I
5 believe actually drafted it.

6 THE COURT: Who were the new attorneys at that
7 time?

8 A. The attorneys who were representing us as
9 individuals and the tribe in the litigation with Jonathan
10 Stein.

11 Q. So at this point a lawsuit had been filed against
12 the tribe and individual members?

13 A. I'm pretty sure, October 2006, .

14 MR. FORDYCE: That lacks foundation the lawsuit
15 was filed November 2nd.

16 MS. IBARRA: That's correct it's before the
17 litigation?

18 A. It may be before the complaint was filed but it
19 was certainly after all the people were in place as to who
20 was suing here.

21 MR. FORDYCE: Move to strike?

22 A. October 11th we already had attorneys.

23 THE COURT: Wait a minute what are you moving to
24 strike on.

25 MR. FORDYCE: It lack of foundation it's absolute
26 speculation.

27 THE COURT: Well no, there may be foundation.

28 MR. FORDYCE: Okay thank you Your Honor.

1 THE COURT: So I'll strike it unless you can lay
2 the foundation. You said there's people in place, what do
3 you mean by that?

4 A. We had attorneys already representing us against
5 Jonathan Stein and when I say us, I mean the tribe and as
6 individuals.

7 THE COURT: Why would you have attorneys in place?

8 A. Because we knew we were being sued.

9 THE COURT: And how did you know that?

10 A. Because his attorney told me so.

11 THE COURT: Okay thank you. Motion to strike
12 denied.

13 MS. IBARRA: Can we just go back to the letter a
14 little bit, because we're almost done?

15 A. The Jeffrey Long letter that I wrote.

16 Q. Yes your letter to Mr. Long?

17 A. Yes.

18 Q. Exhibit 254. So we were reading the part about
19 Stein terminating the development contract in July so he
20 could become CEO of the tribal gaming authority, period.
21 Moving on, the tribe had never entered into an FPPC
22 agreement with Stein and did not find out that Stein had
23 arranged to use the tribe's funds pay himself for purported
24 lobbying efforts until after Stein resigned.

25 THE COURT: Where was this again, are we back
26 to --

27 MS. IBARRA: Yes, we are back to Page 7 of the
28 Aronson letter to Jeff Long, October 26, 2006.

1 THE COURT: That's Exhibit 254

2 MS. IBARRA: Exhibit 254.

3 THE COURT: What page again.

4 MS. IBARRA: We are at page seven and it's the
5 last paragraph on Page 7. We went through Stein terminated
6 the development contract in writing in July and then moved
7 on to tribe had never entered into an FPPC agreement with
8 Stein and did not find out that Stein had arranged to use
9 the tribes funds to pay himself for purported lobbying
10 efforts until after Stein resigned. Do you have anything
11 more to add about that?

12 A. No.

13 Q. Okay. Stein also failed to obtain a written
14 agreement with the tribe regarding his position as CEO of
15 the tribal gaming authority. Do you have anything more to
16 add about that?

17 A. I think that's what we were just talking about,
18 that was what I just testified to.

19 Q. Moreover all of these contracts even in existence
20 would be voidable as unconscienable. Further IGRA
21 prohibited Stein from entering into any management
22 agreement without first being approved by the bureau of
23 Indian affairs. Is there anything else you want to add to
24 that paragraph?

25 A. No.

26 Q. So there was a question about whether the -- well
27 I'll just point you to Exhibit 52 in the blue ones?

28 A. There's a lot of exhibits, go ahead.

1 Q. So 52 says.

2 MR. STEIN: We're still trying to get there.

3 MS. IBARRA: Okay.

4 THE COURT: Has this been admitted yet Neli.

5 THE CLERK: What number Your Honor.

6 THE COURT: 52.

7 MS. IBARRA: I have it as being used in the first
8 part of the trial.

9 THE COURT: Resolution 95.

10 MR. STEIN: I don't recall it.

11 THE COURT: No, okay.

12 MS. IBARRA: Well, we can mark it.

13 THE COURT: Keep going.

14 Q. BY MS. IBARRA: So Gabrielino-Tongva Tribe
15 economic development resolutions May 20, 2006. Were you
16 already affiliated with the tribe at this point?

17 A. Yes. I was like assistant counsel.

18 Q. Resolution 95, authorization to establish and
19 maintain financial accounts of the gaming authority and
20 tribal administration. So can just look at the last
21 paragraph, the last whereas?

22 A. On that page?

23 Q. Yes has as May 13, 2006, the council recollected
24 oh Resolution 94 authorizes among other things the
25 appointment of Jonathan Stein as chief executive officer of
26 the Gabrielino tribal gaming authority and as such, the
27 tribal council desires Mr. Stein to have authority to
28 determine how to spend the budget and to report to the

1 tribal council and all expenditures since the last tribal
2 council meeting. So was Mr. Stein -- was the SMDC
3 agreement still in place at this point in your opinion?

4 A. I don't know. I don't know when that agreement
5 was formally resigned.

6 Q. But he was already chief executive officer of the
7 gaming authority?

8 A. As of May 20th.

9 Q. Okay. That's all I have for now.

10 THE COURT: Okay well let's start
11 cross-examination?

12 A. Do I need this book still.

13 THE COURT: You might, judge don't you put it up
14 here?

15 A. Do you mind? I'm sorry.

16 THE COURT: No that's fine?

17 A. Thank you.

18 MR. STEIN: Does the witness need two or three
19 minutes to just take a breath?

20 A. No I'm fine. In fact I'd prefer to keep going if
21 that's okay.

22 THE COURT: No I have to leave?

23 A. No I understand.

24 THE COURT: A little bit early.

25 MR. FORDYCE: Oh Your Honor it's.

26 THE COURT: Yeah.

27 MR. FORDYCE: I should be quite quick so there you
28 go.

1 Q. Ms. Aronson I know we've met a couple of times.
2 My my Niall Fordyce. I'm representing Mr. Stein and his
3 law offices. We've spoken once or twice in court and we've
4 spoken Monday is that correct do you recall that?

5 A. That is correct, I do recall.

6 Q. The conversation? Okay.

7 THE COURT: Spoke on Monday over the phone?

8 MR. FORDYCE: Correct Your Honor over the phone.

9 THE COURT: All right.

10 Q. BY MR. FORDYCE: So fair to say that you you were
11 and not a big fan of Mr. Stein?

12 A. That would be fair.

13 Q. So.

14 THE COURT: Fair to say you probably don't like
15 him?

16 A. I think he's a horrible person.

17 MR. FORDYCE: Dear me.

18 Q. Why do you say that?

19 A. I think I testified to all of the reasons why I
20 thought Mr. Stein was a horrible person. He comes off all
21 swarmy and charismatic, but when he blows, he blows.

22 Q. He -- when he blows he blows, what does that mean?

23 A. When he decides to let go or let loose with his
24 angry he will say just about anything no matter how
25 inappropriate.

26 Q. Huh. Do you know how long Mr. Stein has been a
27 lawyer?

28 A. Longer than me.

1 Q. Do you know if Mr. Stein's license is in good
2 standing?

3 A. I believe it is.

4 Q. Okay. I'd like to ask you a little bit about your
5 take, I mean we've already established that you know Mr.
6 Stein is on sort of the seventh level of Dante's hell, I
7 guess.

8 A. We all know, yeah.

9 Q. To get your take on the tribe how long did you
10 actually work for the GT Tribe?

11 A. A few years, three years, two years, I'm not
12 certain.

13 Q. When did you leave them?

14 A. I don't know off the top of my head, I have really
15 don't, I believe I work for them for two and a half to
16 three years.

17 Q. And why did you leave them?

18 A. I believe that might be confidential. I don't
19 think I can testify to that Your Honor.

20 THE COURT: No I think you -- well what is the
21 confidentiality?

22 A. It's attorney-client privileged.

23 MR. FORDYCE: As to why she left.

24 MR. STEIN: That's been waived in that action.

25 MR. FORDYCE: She's done nothing but testify as
26 to.

27 MS. IBARRA: But this is a separate issue than
28 what is -- this isn't at issue in this litigation.

1 THE COURT: Overruled?

2 A. The reason I left was I disagreed completely with
3 what the tribal council was doing.

4 Q. BY MR. FORDYCE: And can you elaborate on that
5 complete how do you mean?

6 A. I thought there were games being played to have
7 certain people beyond the council and to have other members
8 that were voted in removed.

9 Q. Games being played?

10 A. Yes.

11 Q. Can you elaborate on that place?

12 A. I believe and begin this is just my belief but I
13 felt that people on the tribal council had open elections
14 and they should have accepted those elections and who were
15 put on the council and there were two people who were put
16 on who they were getting in conflicts with, the other
17 tribal council members and I did not like the way that they
18 were treated or how they were pushed out.

19 Q. Who were the people you were mentioning, the two
20 people that were put on the tribal council?

21 A. Ones name is John who I think does -- he still is
22 part of the tribe but at one time he was part of the tribal
23 council member John and then mart as brother Richard.

24 THE COURT: So you disagreed that the tribal
25 council was not honoring some elections is that what you're
26 saying or they had -- something about the election process
27 was improper or what was it you had a complaint?

28 A. The election was proper but I felt like they were

1 intentionally pushing out two elected councilmembers
2 because they didn't agree with them on how to carry forth
3 business of the tribe.

4 Q. BY MR. FORDYCE: Who were the other council
5 members at the time of the issue you're talking about the
6 new council members were being pushed out?

7 A. Virginia was still on, Virginia Carmelo and Edgar
8 Perez and Adam Loya and Shirley Machado were still on it
9 and I believe Martin had already passed at that point, Sam
10 Dunlap was still on it.

11 Q. So members that were actually part of the tribe
12 when you were working with Mr. Stein?

13 A. Yeah.

14 Q. Do you consider the tribe in your experience were
15 they disorganized?

16 A. Yes.

17 Q. Would you agree that they -- the members of the
18 tribal council were self interested?

19 A. Some.

20 Q. Please explain?

21 A. It's to be remembered a lot of these people had
22 been on the tribal council so when we talk about
23 disorganization, they're attorneys, their CEO, the tribal
24 council members, nobody had been paid for three years, two
25 years and people were getting frustrated with that so did
26 they want to get paid, yeah.

27 Q. I don't believe that was responsive to any
28 question about self interested?

1 A. Well I think that created a lot of self --.

2 MS. IBARRA: It was responsive?

3 A. I do believe it created a lot of self interest
4 where people wanted to get paid so they were willing to
5 perhaps do or say things that I just didn't agree with.

6 Q. Such as?

7 A. I don't recall as I sit here, not specifics but --
8 not specifics.

9 Q. So the tribal council members that you dealt with
10 while you were still working with Mr. Stein were they
11 confrontational with one another, not with Mr. Stein but
12 with one another?

13 A. I don't think there was outright confrontations or
14 conflicts it was more of an under current and then there
15 were some accusations against Richard specifically.

16 Q. And when you say Richard who do you mean?

17 A. Richard Al.

18 Q. And when you and I talked didn't we talk about the
19 tribe being more interested in fighting with one another
20 than actually getting a casino and getting federal
21 recognition?

22 A. That was my take, I believe there was a lot of
23 inner fighting and I believe a lot more people in
24 interested in continuing litigation than moving forward
25 with tribe business.

26 Q. Understood.

27 A. And that's the self people wanting to receive
28 money from there lawsuit.

1 THE COURT: From what?

2 A. This lawsuit.

3 Q. BY MR. FORDYCE: What steps did you tribe take to
4 move the casino forward after Mr. Stein left? I understand
5 you were there for probably a couple years after the fact.
6 What steps did the tribe take if any to move the casino
7 forward?

8 A. I didn't see any steps.

9 Q. So nothing?

10 A. No.

11 Q. Okay. What about steps to obtain federal
12 recognition, what did you see?

13 A. There was talk about how we can go about that but
14 again with no money there was no steps taken.

15 Q. And do you understand that in fact there was a
16 federal recognition petition put forward by Ms. Lamothe
17 before your tenure with the tribe?

18 A. I wouldn't know anything about that. I know that
19 that was what we wanted was federal recognition but I know
20 that Jonathan thought that that was not possible so we were
21 going for state recognition during of the summer of 2006.
22 After 2006 apparently there was Indian bureau affair
23 regulations or something that somebody showed that stated
24 that state recognition was just not possible and so we
25 reopened the avenue for federal recognition and that's --.

26 Q. Who reopened?

27 A. The tribal council.

28 Q. Where? Documents, do you have -- have you seen

1 the documents?

2 A. It was talked during the council meetings of going
3 for federal recognition because state recognition was pie
4 in the sky kind of theory.

5 Q. With you as general counsel for the tribe for
6 whatever it was two and a half three years that you worked,
7 did you ever submit -- did you ever put forward a document
8 for the federal recognition?

9 A. No.

10 MS. IBARRA: Asked and answered.

11 THE COURT: Overruled?

12 A. The answer is no.

13 Q. BY MR. FORDYCE: And so again.

14 THE COURT: Why not though, I mean this has been
15 the stated objective for -- there's been some testimony it
16 was state, some it was federal, why not?

17 A. Well because at the time there was no money and
18 there was a person who, CEO, Senator Polanco was talking to
19 who was willing to put it together for I think it was
20 \$200,000 or zero some amount of money but we were never
21 able to have that money, to this day there as far as I know
22 not been any further monies to the tribe so it wasn't
23 possible.

24 Q. BY MR. FORDYCE: Why not.

25 MS. IBARRA: She answered.

26 Q. BY MR. FORDYCE: In your experience why has there
27 not been further money to the tribe, I have not asked that
28 question, why has there not been any further money to the

1 tribe?

2 A. The litigation, which this litigation and the
3 underlying litigation blue up the investment.

4 Q. So it your knowledge the only --.

5 THE COURT: You're talking about the Libra
6 investment right?

7 A. Correct.

8 Q. BY MR. FORDYCE: So it your knowledge the only
9 money the tribe received when you were around was the 2.15
10 million that was generated by Mr. Stein correct?

11 A. That is correct.

12 Q. I want to move on you just mentioned?

13 A. And I will say though that after I left at general
14 counsel I wouldn't know if any other funds or investment
15 funds came in definitively but I don't believe there have
16 been any.

17 MR. FORDYCE: Oh understood and I'm not asking you
18 about anything that happened after.

19 THE COURT: You were there two years after right?

20 A. Right during the course of time that there was no
21 funds.

22 THE COURT: And beyond that you're unaware?

23 A. Correct.

24 MR. FORDYCE: I do want to move on you you
25 mentioned.

26 A. I can add one thing.

27 Q. Sure.

28 A. As long as this litigation goes on they can't move

1 forward with an investor, no investor is going to invest
2 with anyone still in litigation.

3 MR. FORDYCE: Your Honor, can I ask, we've been
4 admonished over and over again for nodding. Can we have
5 the same thing for Plaintiff's counsel.

6 MS. IBARRA: I was unaware that I was nodding and
7 I will --

8 THE COURT: I didn't see any nodding.

9 MR. FORDYCE: I think it's a common gesture but
10 I'm seeing it now out of the corner of my eye the whole
11 time.

12 THE COURT: I have haven't seen it?

13 A. For the record --.

14 MS. IBARRA: My apologies if I made any expression
15 whatsoever.

16 MR. FORDYCE: I just want to make a record.

17 THE COURT: I'm putting on the record I didn't see
18 it, but I will be alert to it.

19 MR. FORDYCE: That's fine. Thank you, Your Honor.

20 A. And for the record, I saw no distracting --
21 nothing changed my testimony or I saw nothing that would
22 have made me or led me to testify any different way than I
23 did.

24 THE COURT: So you didn't see anybody gestures
25 from you from the defense side or the plaintiff side.

26 MR. STEIN: No she said they did see it?

27 A. No I said I didn't.

28 MR. STEIN: Thank you.

1 THE COURT: No from either side with respect to
2 this question.

3 A. Yes.

4 MR. FORDYCE: Cindy --.

5 THE COURT: Neli did you see anything.

6 MR. FORDYCE: Cindy can I have the last answer
7 read back that didn't refer to nodding please.

8 THE COURT: Yes you may.

9 (Record read.).

10 Q. BY MR. FORDYCE: Ms. Aronson who filed the initial
11 litigation in this case?

12 A. It was a race to the courthouse, I think we beat
13 you have my one, I'm sorry I apologize I take that back. I
14 believe the complaint was actually filed by the tribe a day
15 before the cross-complaint was filed by Mr. Stein.

16 Q. And has the tribe ever dismissed the complaint,
17 have they carried the complaint on for the last 11 years?

18 A. I'm still here.

19 Q. Absolutely. So why do you say that no investor
20 will touch them if the litigation still exists?

21 A. I think that goes for obvious reasons, if they're
22 embroiled in a litigation, there's no investor who's going
23 to want to sink millions of dollars into a chance to gain
24 recognition when there's litigation going on about who is
25 the tribe and they have problems with their past CEOs and
26 contract.

27 Q. Fair enough, I have want to move on to a person
28 had you mentioned just a moment ago Richard Polanco.

1 What's your understanding of Mr. Polanco's role with the GT
2 Tribe?

3 A. My understanding was that he was a tribal council
4 member at some point, Richard -- oh I'm sorry you said
5 Richard Polanco, I thought you said Richard Al I'm sorry.

6 Q. No problem?

7 A. I apologize.

8 Q. That's all right?

9 A. My understanding is he was the CEO, he was when I
10 was there at least, I don't think that's changed.

11 THE COURT: CEO of.

12 MR. FORDYCE: Thank you Your Honor?

13 A. The tribal gaming authority.

14 Q. BY MR. FORDYCE: So did he take over for Mr.
15 Stein, is that your understanding?

16 A. That's my understanding.

17 Q. Okay. What's your understanding as to whether Mr.
18 Polanco followed up on trying to get a casino for the
19 tribe?

20 A. I believe he was stale mated, I don't believe he
21 could go forward with this litigation pending, I don't
22 think that he did get any investors.

23 Q. When you say did not get any investors, what do
24 you mean? Destroy, to your knowledge?

25 A. To my knowledge there was occasions where he said
26 that he was speaking with investors but it was never
27 anything very substantial, we never went and met with
28 anybody, we never -- I personally never spoke with any

1 potential investors after that.

2 Q. Well let me ask you, if your tenure with Mr.
3 Polanco, do you think had he did a sufficient job in
4 attempting to move the casino project forward.

5 MS. IBARRA: Objection relevance.

6 THE COURT: Overruled.

7 A. No.

8 Q. BY MR. FORDYCE: Why do you say no?

9 A. I would have liked -- there was talk of some
10 investors and some people who might be interested out in
11 Vegas and a couple of other people and when we tried to
12 push for meetings or telephone conversations or anything to
13 move forward, there was no follow-up.

14 Q. And when you have say no follow-up, you mean on
15 behalf of Mr. Polanco?

16 A. As far as I know but again these are better
17 questioned addressed to Mr. Polanco.

18 Q. He has his own take. Would you categorize Mr.
19 Polanco as a self interested individual?

20 A. Yeah. Yes.

21 Q. Let me ask you, how much work did he do on getting
22 the second tranch of the Libra funds?

23 A. None that I'm aware of.

24 Q. Fair enough. And is it your understanding as far
25 as the Libra agreement goes that the only obligation Libra
26 had was for the 2.15 million that the tribe secured?

27 A. Yes and I can state definitively they would have
28 been very unwise to continue forward and give us the second

1 installment of that investment at the point we were at when
2 that came due.

3 Q. And that's because?

4 A. We were a mess, we were in litigation with
5 everyone.

6 Q. And when you say we were a medicine how global
7 that?

8 A. Global.

9 Q. So the tribe was a mess?

10 A. How could it not be it just --.

11 Q. The council was a mess?

12 A. Well it -- in certain ways, yeah, absolutely.

13 Q. And so your understanding was while Plaintiffs
14 board \$19,000,000 in this case the only obligation Libra it
15 H* was for the 2.15 million, the additional funds were at
16 Libra's option?

17 A. Yes.

18 Q. I think -- I actually think I'm done?

19 A. I think I --.

20 MR. FORDYCE: Well obviously there's Mr. Stein.

21 THE COURT: Okay your examination. Okay well we
22 can start, let's do five minutes and then I've got to --
23 it's 11 42 so we can go up to 10 minutes before 12.

24 MR. STEIN: And Your Honor what I'll try to do is
25 complete the first two areas and we'll see where we are.

26 THE COURT: Okay you have time.

27 MR. STEIN: And I'll give the court a little wave.

28 Q. BY MR. STEIN: Ms. Aronson I am so sorry to see

1 you hereafter 11 years so I just want to say to you my
2 questions have to do with this lawsuit, not with any
3 personal opinions you have or any personal opinions I have.
4 First your employment chronology just a straighten a few
5 things out, you started as assistant general counsel when?

6 A. I believe the spring of 2006, April May.

7 Q. April May. And so during that period, the Libra
8 agreement was being negotiated by Marilyn Barrett?

9 A. Correct.

10 Q. Is that correct?

11 A. That is correct.

12 Q. And Mr. Stein also was involved in negotiations on
13 the business side is that correct?

14 A. I would imagine you would have been yes.

15 Q. And you also -- and you were involved in giving
16 legal advice to GT Tribe, to the tribal council as
17 assistant general counsel during this time is that correct?

18 A. That is correct.

19 Q. So even after Marilyn Barrett left, you were still
20 there to give the tribal council your legal advice on what
21 the -- what the Libra agreement said?

22 A. Yes.

23 Q. Then had you eventually became tribal general
24 counsel for the tribe, when was that?

25 A. When Rae Lamothe left.

26 Q. When Rae Lamothe left?

27 A. Yes.

28 Q. And to your knowledge, Rae Lamothe left in May?

1 A. I would have said June, but okay.

2 Q. June, May or June. And you had already been
3 assistant general counsel, you stepped up to tribal general
4 counsel at that time?

5 A. Correct.

6 Q. And then you continued as tribal general counsel
7 through the termination on October 3 of -- when Sheppard
8 Mullin -- we have evidence in this case that Sheppard
9 Mullin sent a letter of termination to SMDC terminating the
10 agreement.

11 MS. IBARRA: Objection counsel is testifying.

12 THE COURT: Well you can phrase it a little
13 differently I have mean she's trying?

14 A. I mean --.

15 THE COURT: Hold on I'm talking?

16 A. I'm sorry.

17 THE COURT: I think he's trying to say
18 hypothetically you know there's been testimony that this
19 letter occurred and then what's your question, but with
20 that assumption there's been that testimony.

21 MR. STEIN: Okay.

22 Q. BY MR. STEIN: Is that your testimony that October
23 3 was the date of termination for SMDC by letter from
24 Sheppard Mullin?

25 A. No that's not my understanding.

26 Q. Please tell me your understanding?

27 A. My understanding is after looking at the contracts
28 after you had resigned that SMDC, you had stopped with that

1 contract sometime in the summer of 2006, I was present when
2 you resigned, I was present when the council accepted your
3 resignation, I do understand you thereafter -- stated you
4 didn't resign but it doesn't change the fact so no I don't
5 think it was October, I think it was September.

6 Q. So the point that you're referring to is September
7 9th, the September 9th letter that Mr. Stein wrote, can we
8 have the --?

9 A. If that's the date of it, yes, the letter that you
10 wrote resigning.

11 Q. So you started -- you started April or May before
12 the Libra agreement, you advised the tribal council on the
13 Libra agreement while you --.

14 THE COURT: Did you advise them on the Libra
15 agreement or you were available if they asked to you do
16 that, I think we should be clear about whether you in fact
17 did it, because Marilyn Barrett was involved, are you
18 talking about when Barrett left or what is your -- it's
19 vague.

20 Q. BY MR. STEIN: Why don't you go ahead and clarify
21 it the way the course wishes to.

22 THE COURT: No I'm just saying vague.

23 MR. STEIN: No I think she said she advised the
24 tribal council on the Libra agreement.

25 THE COURT: Well why don't we ask her (Ditto).

26 MR. STEIN: She said she can state it?

27 A. Marilyn Barrett was the independent counsel.

28 THE COURT: Right?

1 A. Who was actually drawing up and negotiating the
2 contract with Libra.

3 THE COURT: Right I understand?

4 A. But yes, I did give the general counsel after
5 reading what they came up with, what Marilyn had questions
6 and thing which would they be willing to agree to, yes I
7 got involved with those points.

8 THE COURT: So Marilyn would come do you have and
9 say this is a deal point, what do you think about it, what
10 does the tribe think about it?

11 A. Technically I think she went to Jonathan, yes.

12 THE COURT: What do you mean technically I think
13 she went to Jonathan?

14 A. I don't think she would call me and ask me about a
15 certain thing. I think she would call Jonathan and
16 Jonathan would address it to the tribal council and I would
17 give advice at the tribal counsel meeting. I don't think I
18 --

19 MR. STEIN: So you --

20 A. -- spoke personally with Marilyn during the
21 drafting the contract.

22 THE COURT: So Mr. Stein spoke with her about the
23 deal points?

24 MR. STEIN: You --

25 THE COURT: Mr. Stein would present it at the
26 tribal council meetings and you were discussing it with the
27 tribal council. And who was present, were all of the --
28 was Marilyn Barrett present, was Mr. Stein present, was it

1 just you and the tribal general counsel?

2 A. Mr. Stein was present, I would have been present,
3 the six members of the tribal council would have been
4 present.

5 THE COURT: Okay?

6 A. Sometimes Barbara Garcia would be present.
7 Marilyn did come in once that I'm aware of but no other
8 than that, it would just shall hearsay what they're least-g
9 so far things that far nature.

10 MR. STEIN: And Rae Lamothe would be present as
11 well right?

12 A. In the beginning, yeah absolutely.

13 Q. And the Libra agreement was May 22, 20 506 is
14 that correct?

15 A. I believe so, again the document would state the
16 date.

17 Q. So Rae Lamothe was thereafter the signature of the
18 Libra agreement?

19 A. Perhaps. Again I don't have those documents in
20 front of me so I don't know the dates.

21 Q. And you're drawing a distinction between acting as
22 an attorney negotiating with Libra versus acting as an
23 attorney talking to the tribal council explaining the
24 agreement, explaining what it meant to say yes or no to
25 each point?

26 A. Correct.

27 Q. Very good. Thank you. And then you continued in
28 that role through the exit of Mr. Stein on September 9th?

1 A. Yes.

2 Q. And you continued through that role through any
3 exit on October 3, any termination?

4 A. I continued through the date October 3rd, yes.

5 Q. And you continued in that role through the filing
6 of litigation on November 2nd by GT Tribe and by Mr. Stein,
7 SMDC thereafter?

8 A. Yes.

9 Q. Okay. And then you continued --.

10 THE COURT: So just so I'm clear, you mean when
11 they filed the lawsuit they had a different lawyer or are
12 you saying whether she's --.

13 MR. STEIN: She was the lawyer.

14 THE COURT: Did you file the lawsuit -- I think it
15 was --?

16 A. No no no I remained general counsel through that
17 time.

18 MR. STEIN: Yes yes.

19 THE COURT: But it was Sheppard Mullin right who
20 filed the lawsuit?

21 A. Correct.

22 THE COURT: So just so I'm clear even though
23 Sheppard Mullin filed the lawsuit you were still general
24 counsel for the tribe?

25 A. Correct. And this is confusing and also their
26 counsel in the lawsuit down in Vista for slander.

27 THE COURT: Who's lawsuit?

28 A. The individual council members filed a lawsuit

1 against the purportedly new tribal council members for the
2 slandering and definition because they said they stole
3 investment monies.

4 THE COURT: You're talking about the Candalaria
5 group as we've been referring to them.

6 A. Yes thank you I didn't know how you referred to
7 them here.

8 THE COURT: All right so I just wanted to --.

9 MR. STEIN: All right.

10 Q. BY MR. STEIN: So Sheppard Mullin was outside
11 counsel on the lawsuit but you were advising the tribal
12 council as their tribal general counsel on the lawsuit?

13 A. Correct.

14 Q. And then you continued in that role for about
15 another two years after the lawsuit was filed in November?

16 A. Correct.

17 Q. Very good, okay. Can I refer you to Exhibit 6 53
18 and 655 please, they're in the white notebooks.

19 THE COURT: Do you want to -- do you have a lot on
20 that or.

21 MR. STEIN: Yes, we do so --.

22 THE COURT: Okay let's.

23 MR. FORDYCE: We can call it.

24 THE COURT: Let's break now so.

25 MS. IBARRA: So --.

26 THE COURT: 9:30 looks good for us tomorrow.

27 MS. IBARRA: 9:30.

28 THE COURT: We started early today so.

1 MS. IBARRA: So did we think that we're going to
2 have another witness because I'm trying to just -- I have
3 some redirect.

4 THE COURT: I don't know Mr. Stein what is your
5 plan.

6 MR. STEIN: Well we had four hours -- four full
7 hours of direct and since this is a hostile witness I'd
8 like to take four full hours of redirect and I can do my
9 best to do less, I have a specific things that are fully
10 prepared so it should go faster but there is a lot of it.

11 THE COURT: Yes okay.

12 MS. IBARRA: So we'll have --.

13 THE COURT: I don't know whether there was four
14 hours or not we've only been going two hours so I'm going
15 to ask my clerk to check the numbers.

16 MR. STEIN: Please.

17 THE COURT: Just so it's clear there isn't such a
18 thing as one to one, just because they have four hours they
19 may have wasted those time with four hours I'm just saying
20 there's no such thing as a one to one and usually
21 cross-examination is less but I will give you substantial
22 time so I'm thinking two hours, okay.

23 MR. STEIN: Well tomorrow would be two and a half
24 would I be able to get through the day tomorrow?

25 A. I apologize to interrupt but Your Honor I can't
26 make it back tomorrow due to a personal reason, is Monday
27 okay.

28 THE COURT: Well what is the personal reason

1 that's so important that it can't?

2 A. No day care for my daughter.

3 THE COURT: Okay and Monday you have the
4 availability?

5 A. Monday I have the ability to have somebody cover
6 my cases then.

7 THE COURT: Can we substitute somebody.

8 MR. STEIN: This would be the Plaintiffs case.

9 THE COURT: Yes.

10 MS. IBARRA: So Ms. Marilyn Barrett is recovering
11 from surgery, she's going to be abulatory next week, but
12 she's not right now. She's on bed rest, so can't have her.
13 And Mr. Margolis had also said he would be available next
14 week, so I have to check with him to make sure he clears
15 his calendar.

16 A. Can we finish it this afternoon.

17 THE COURT: No Mr. Stein can't make it.

18 A. Yes.

19 THE COURT: In fact Mr. Stein when are you getting
20 an evaluation so we can see if you can go --

21 MR. STEIN: It was supposed to be May 2nd, I was
22 moved to May 17th by Dr. Pelican's office, the
23 cardiologist.

24 THE COURT: May?

25 MR. FORDYCE: March.

26 THE COURT: March, that's fine March 17th, March
27 17th evaluation and I specifically need to know whether you
28 can move forward with full days if we're still in this

1 trial by then, okay.

2 MR. STEIN: Yeah you get.

3 THE COURT: Okay thank you so let's go back to
4 what we were saying somebody filling.

5 MS. IBARRA: I mean I only have two left they've
6 both been here today, in Margolis and Ms. Barrett's, Ms.
7 Barrett is medical she's not ambulatory and Mr. Margolis
8 had stuff this week we had planned to finish.

9 THE COURT: Let's see. Does the defense have
10 any --

11 MR. STEIN: We're waiting for the Plaintiffs --
12 the court has heard our complaints very patiently, but we
13 have complained that three-quarters of this case seems to
14 be the Plaintiffs case and we're being told we have very
15 constrained time to put on her case in chief and that's our
16 complaint you've heard it before.

17 THE COURT: I have heard it before and I've
18 explained it to you how it goes. You were directed to put
19 in as much as you could through the witnesses when they're
20 up here, which includes your case.

21 MR. STEIN: Yes.

22 THE COURT: And a lot of that came through
23 cross-examination and that is the reason, it's very typical
24 in these cases, why there's not a one to one, they get five
25 days, you get five days. It's because you get all of your
26 case out through the witnesses who are here already.
27 That's the directive that the court gives. If there's
28 something additional which I think there may be, you're

1 allowed to do that. So my point is who is up from the
2 defense.

3 MR. STEIN: We were anticipated Elizabeth Aronson
4 going through Friday, we had been given nothing from
5 opposing counsel indicating that she would not be available
6 on Friday, it's a surprise.

7 THE COURT: This is a first time I'm hearing it?

8 A. And it's a surprise to them as well because I just
9 found out my husband has to be out of town tomorrow so he
10 can't pick her up from school, she get out at 12:00 on
11 Fridays. There's no way I can get up here in the morning
12 and get back to get her safely from school.

13 MR. STEIN: Your Honor this is one aspect of the
14 case that could be put on tomorrow to the extent that it's
15 helpful so let me mention it and the court can give me
16 feedback.

17 THE COURT: Okay.

18 MR. STEIN: With a little bit -- are you ill
19 available this around to prepare.

20 MR. FORDYCE: Not great but you know one does what
21 one does.

22 MR. STEIN: That's a "yes".

23 MR. FORDYCE: That's an equivocal yes.

24 MR. STEIN: There --.

25 THE COURT: Well first tell us what the plan is
26 and then maybe he can.

27 MR. STEIN: I will trying to pick the right thing
28 because I just don't want to be jumped on by.

1 THE COURT: By -- jumped on.

2 MR. FORDYCE: By me.

3 THE COURT: Oh by counsel, I'm sorry.

4 MR. STEIN: Something like that. I'm just trying
5 to be careful because -- there is a very important aspect
6 of the case that is time consuming and that is SMDC as
7 William mills testified.

8 THE COURT: So who's the next witness is all I'm
9 asking, who's the next witness.

10 MR. STEIN: It would be me to do this time
11 consuming point about part of the case in chief.

12 THE COURT: Which is what.

13 MR. STEIN: Which would be the amounts due at
14 different points in time under the SMDC agreement.

15 THE COURT: Are you talking about the quantim
16 meruit aspect.

17 MR. STEIN: No, I'm not talking about quantum
18 meruit it is analyzing the amounts that are in the accounts
19 stated as each point in time.

20 THE COURT: So you have of somebody available
21 whether it's you or somebody else available for tomorrow,
22 okay. Come back at 130 if you want to talk some more but I
23 have a meeting I have to go to.

24 MR. STEIN: And can we start at 10 since.

25 MS. IBARRA: She needs to go.

26 THE CLERK: We all have a meeting we have to go to
27 counsel. 11:57 AM.

28