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UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH DAKOTA
SOUTHERN DIVISION

Case Civ. 10-4110

SPRINT COMMUNICATIONS COMPANY, L.P.,

Plaintiff,

-vs-

NATIVE AMERICAN TELECOM, LLC;
B.J. JONES, in his official capacity
as Special Judge of Tribal Court; and
CROW CREEK SIOUX TRIBAL COURT,

Defendants.

U.S. District Courthouse
Sioux Falls, SD
March 3, 2011, 9:00 a.m.

MOTION HEARING

BEFORE: The Honorable Karen E. Schreier
U.S. District Court Judge

APPEARANCES:

Mr. Scott G. Knudson
Briggs & Morgan
2200 IDS Center
80 S. Eighth St.
Minneapolis, MN 55402-2157

-and-

Mr. Tommy Drake Tobin
Attorney at Law
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Winner, SD 57580

for the Plaintiff

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1 APPEARANCES: (Continued)

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3 Mr. Scott R. Swier
Swier Law Office
4 Box 256
Avon, SD 57315
5 for Defendant Native American Telecom, LLC

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1 **A. Native American Telecom.**
 2 **Q.** What kind of service does Free Conference Corporation
 3 provide?
 4 **A. What kind of service?**
 5 **Q.** Yes.
 6 MR. SWIER: Asked and answered, Your Honor. He
 7 answered they provide marketing service.
 8 THE COURT: Overruled. You can answer.
 9 **A. They provide marketing service for Native American**
 10 **Telecom.**
 11 **BY MR. KNUDSON:**
 12 **Q.** Have you ever heard they might be offering a
 13 conference bridge service to people outside the
 14 Reservation?
 15 **A. Yes. I've heard something like that.**
 16 **Q.** Well, could you pick up what's been marked as
 17 Plaintiff's Exhibit A?
 18 MR. KNUDSON: May I approach?
 19 THE COURT: You may.
 20 BY MR. KNUDSON:
 21 **Q.** Mr. Lengkeek, I can help you to move this along. Here
 22 is the exhibit. I'll ask you to turn your attention to the
 23 very last page of it, Page 83.
 24 **A. Yes, sir.**
 25 **Q.** Can you see Page 83, sir?

1 Corporation was taking in 75 percent of the revenues of
 2 NAT?
 3 **A. Yes.**
 4 **Q.** Isn't it also true that the Tribe has not received any
 5 money from NAT?
 6 MR. SWIER: Objection, Your Honor. That's a
 7 misstatement of the facts. We've already talked about the
 8 infrastructure investment that's been made on the
 9 Reservation through NAT.
 10 THE COURT: Overruled. You may answer.
 11 **A. What was the question?**
 12 **BY MR. KNUDSON:**
 13 **Q.** Isn't it true the Tribe has received no money from
 14 NAT?
 15 **A. No actual dollar bills. But we have received the**
 16 **refurbishing of a building for the Learning Center. We**
 17 **have received the Internet Library.**
 18 **Q.** My question to you was, isn't it true the Tribe has
 19 received no money from NAT. Isn't that correct?
 20 **A. Yes.**
 21 **Q.** Isn't it also the case that the Tribal Utility
 22 Authority didn't have any members on the Board until
 23 September of 2010?
 24 **A. If I remember right, the Tribal Utility Authority was**
 25 **put in place years ago, 1997, and from my understanding,**

1 **A. Yes.**
 2 **Q.** Do you see the income that NAT has recorded on its
 3 Profit and Loss Statement for 2010?
 4 **A. Yes.**
 5 **Q.** It's \$1,148,000 and change. Correct?
 6 **A. Yes.**
 7 **Q.** Isn't it true you didn't know until yesterday that NAT
 8 reported that much income for 2010?
 9 **A. Yes.**
 10 **Q.** So until yesterday, you hadn't heard that information,
 11 and today is the first time you've seen this Profit and
 12 Loss Statement. Isn't that true?
 13 **A. Yes.**
 14 **Q.** In fact, you only recently learned that Free
 15 Conference Corporation received 75 percent of the gross
 16 revenues of NAT. Isn't that true?
 17 **A. Yes.**
 18 **Q.** You were told that when, sir?
 19 **A. I received a lot of the financial documents probably**
 20 **two weeks ago, and the rest of the Board members have all**
 21 **received them, but because I'm so busy, I haven't been able**
 22 **to take in on most of the conference calls and conference**
 23 **meetings that goes on with the Board. I would probably**
 24 **have to say a couple weeks ago.**
 25 **Q.** Only two weeks ago you learned Free Conference

1 **when this was first brought to the prior Council, probably**
 2 **18 to 20 months ago, there were members placed on there.**
 3 **Then when the new Council took over, which I am a part of,**
 4 **we appointed four members to that Utilities Council.**
 5 **Q.** Isn't it true September 9, 2010, a Tribal Council
 6 adopted a Resolution appointing four members to the Tribal
 7 Utility Authority Board?
 8 **A. Yes.**
 9 **Q.** And there were no Board members before that action.
 10 Isn't that true?
 11 **A. I don't even know their names.**
 12 **Q.** My question to you is, were there really any Board
 13 members on the Board of the Tribal Utility Authority before
 14 this Resolution was adopted September 9, 2010?
 15 **A. To my understanding, there was, but I don't know who**
 16 **they were. It don't seem right to have a Board with no**
 17 **members.**
 18 MR. KNUDSON: No further questions, Your Honor.
 19 THE COURT: Thank you. Mr. Swier?
 20 REDIRECT EXAMINATION
 21 BY MR. SWIER:
 22 **Q.** Peter, Mr. Knudson asked you a series of questions.
 23 I'm going to take them in the order he gave them to you.
 24 He indicated, of course, the books, the financial books of
 25 NAT, those are kept for you in Long Beach, **EXHIBIT M**