



APR 4 2006

Tracy Lee Nelson  
Chairman  
La Jolla Band of Mission Indians  
22000 Hwy 76  
Pauma Valley, CA 92061

Dear Chairman Nelson:

This letter is in response to your letter of February 7, 2006, regarding our letter of December 12, 2005, in which we expressed our opinion that the development agreement between the La Jolla Band of Mission Indians ("Tribe") and Gold River, LLC ("Gold River") gave Gold River a proprietary interest in the gaming operation.

In your letter you detail several risks involved in the casino project that, in your opinion, justify the level of compensation and the length of the agreement. When we examine risk we look to see what, if any, factors would jeopardize a developer's investment. From your letter it would seem that the risk to Gold River is not that they will lose their investment but rather that their profits may be limited to some degree. It is our opinion that competition is not a risk factor that would militate against the finding of a proprietary interest. In most development projects there is some risk involved. The question here is whether or not the risk to the developer's investment is high enough to justify the terms of the agreement.

In the presence of a submitted management contract, it would be difficult for us to conclude that a [ ] year, [ ] development contract is justified. At this time, it is still our opinion that this agreement would give Gold River a proprietary interest in the gaming operation.

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Sincerely,

A handwritten signature in cursive script that reads "Penny J. Coleman".

Penny J. Coleman  
Acting General Counsel