



Los Coyotes Band of Indians

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September 28, 2007

LCB Barwest, L.L.C.

2211 Woodward Avenue
10th Floor
Detroit, Michigan 48201

Attention: Michael J. Malk, Sr.

Ladies and Gentlemen:

As you know, the gaming compact between the State of California and the Los Coyotes Band of Cahulla and Cupeno Indians expired earlier this month. Despite our collective efforts, and those of Big Lagoon Rancheria, to obtain ratification of the compact over the past two years we did not realize the results we all hoped to achieve prior to expiration of the compact.

The Tribe is in the process of starting over and will attempt to open discussions with the Governor's office to obtain a new gaming compact. As part of this new beginning, and at least for the time being, the Tribe will disengage from LCB Barwest L.L.C. and terminates our March 17, 2005, Memorandum of Understanding and any other contractual relationship it may have with L.C. B. Barwest and its affiliates.

If and when the Tribe obtains a new gaming compact, or appears that it will obtain one, the Tribe will contact you. Our intention is to consider all highly qualified developers, including Barwest, to help us at that time if they are interested in pursuing what so far has been a difficult path.

If a new compact is obtained, and regardless of whether Barwest comes to work with us again as a developer and casino manager, the Tribe hopes to negotiate the purchase of the Barstow real property owned by LCB Barwest, L.L.C. that is the subject of the Tribe's pending fee to trust application in order to continue its casino project and to provide appropriate compensation to you.

Thank you for your efforts and support over the past years.

Very truly yours,

LOS COYOTES BAND OF CAHULLA
AND CUPENO INDIANS
By Katharine Saubel
Spokeswoman, Katharine Siva Saubel