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For Immediate Release

Initial Investigation Reveals Corrupt Former Leaders of the Paskenta Band of Nomlaki Indians from the Pata Family Embezzled \$652,000 to Purchase Luxurious New Cars, Over \$850,000 for a Mansion and Wrote Checks to Each Other from Tribal Accounts for Hundreds of Thousands of Dollars

Years of checks and accounts will continue to be analyzed by a professional forensic auditing company to determine the extent of the misconduct

Corning, CA – Chairman Andy Freeman of the Paskenta Band of Nomlaki Indians shared the initial findings of an internal audit of the Tribe's business accounts, which found indisputable evidence of embezzlement for years by members of the Pata family when they were in control of the Tribe's government.

A professional forensic auditing firm has been retained to analyze years of accounts and checks, and will share its findings with federal, state and local law enforcement officials.

The Pata family set up accounts under the Paskenta Enterprises Corporation which was intended to be used for economic development to benefit all Tribal members. The account was set up with John Crosby and Larry Lohse as the only authorized signatories.

The initial audit found over \$300,000 in checks written to Larry Lohse, who is not a Tribal member, but is the husband of the former Tribal Treasurer, Leslie Lohse. The audit also found over \$200,000 in checks written to John Crosby, who is a Tribal member and was Chairman of Paskenta Enterprises. Larry Lohse and John Crosby each signed the checks that were made out to one another.

In addition to the funds funneled directly to Larry Lohse and John Crosby, the audit also revealed \$838,434.14 used to purchase a personal residence for John Crosby, a former FBI agent. Crosby wrote over \$600,000 in checks for home improvement including landscaping, a tennis court, pool construction and an outdoor kitchen.

“Unfortunately, this appears to be just the tip of the iceberg,” said Chairman Freeman. “We want to be thorough in our investigation, but these initial findings are extremely disturbing.”

The audit also discovered nearly \$600,000 in checks to numerous car dealerships, including one check alone for \$117,053.50 and almost \$10,000 for exercise equipment for a private gym.

Chairman Freeman and the Tribal Council emphasized their commitment to transparency with Tribal members and the community as the investigation continues. Freeman stated, “This misconduct is upsetting, but we will not let it impact operations at Rolling Hills Casino or any of our other Tribal businesses. Our highest priority is protecting the best interests of the Tribe and that includes managing our current businesses effectively, as well as seeking restitution for the massive theft that has harmed all Tribal members.”