

Department closed the matter with a warning to Mr. Simpson that should he receive fees from lessees, such fees should be " * * * promptly turned over to the Bureau of Indian Affairs * * *."

Exhibit 32. See also the references to Mr. Simpson under Section II.

A. 1., p. 14, supra.

c. Schlesinger, Schlecht and McCullough

(1) Conflict of Interests

A review of the books and records of the Palm Canyon Country Club, Inc., of Palm Springs, lessee under a master lease from several Indian lessors, indicates that the law firm of Slaughter, Schlesinger and Schlecht (now Schlesinger, Schlecht and McCullough), while representing certain Indian estates involved, received fees from the lessee country club for right-of-way work and obtaining an ex parte order in connection with the lease. Exhibit 27.

(2) Inaccuracy of Accounting

The audit report on the Estates of Anthony, Linda, and Robert Gillette reveals that, as attorneys for the estates, Slaughter, Schlesinger and Schlecht failed to report to the court existing cash shortages in the estates during the third, fourth, fifth, sixth, and seventh accounting periods, covering the years 1958 to 1965. Further, savings account balances were reported to the court which did not exist or were, in many cases, more than six months past the end of the accounting period. The audit indicates that at the close of the seventh accounting on January 6, 1965, cash shortages totaled \$32,028.44. Shortly thereafter, the