

MARKS & WEINBERG, P.C.

Danka Funding Company, LLC v. Sky City Casino

747 A.2d 837 (N.J. 1999)

Sky City Casino, a gaming casino owned and operated by the Pueblo of Acoma Indian tribe, entered into two equipment leases for eight copying machines with Danka Funding. Eight months later, Sky City Casino informed Danka Funding that it would make no further payments on the machines. Danka Funding then declared Sky City Casino to be in default for failing to make its monthly payments and accelerated the future monthly payments as permitted under the leases.

Danka Funding then proceeded to sue Sky City Casino in New Jersey court. Sky City Casino claimed that the court did not have personal jurisdiction since Sky City Casino did not have the requisite minimum contacts in that state. Additionally, Sky City Casino claimed that the New Jersey court did not have subject matter jurisdiction because the Pueblo of Acoma have sovereign immunity under federal law. An Indian tribe enjoys sovereign immunity from a civil suit based on breach of contract, regardless of whether the contract was entered into on or off the reservation.

Danka also argued that Sky City Casino had waived its sovereign immunity via a forum selection clause, but to no avail. The court granted Sky City Casino's motion for summary judgment.



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