

Exhibit “O”

SEALED

CASE

1 TRANS

FILED

OCT 28 2013

Ann M. Sullivan
CLERK OF COURT

2
3
4 ORIGINAL

5
6 EIGHTH JUDICIAL DISTRICT COURT
7 FAMILY DIVISION
8 CLARK COUNTY, NEVADA
9

10 ERIC L. NELSON,)

11 Plaintiff,)

CASE NO. D-09-411537-D

12 vs.)

DEPT. L

13 LYNITA NELSON,)

(SEALED)

14 Defendant.)
15

16 BEFORE THE HONORABLE FRANK P. SULLIVAN
17 DISTRICT COURT JUDGE
18

19 TRANSCRIPT RE: ALL PENDING MOTIONS

20 MONDAY, OCTOBER 21, 2013
21
22
23
24

1 and that -- that needs to come from Jeffery Burr.

2 MR. NELSON: And he did approve it.

3 THE COURT: And I think he --

4 MR. LUSZECK: He did it. And he approved it. It's
5 not -- it's not what the trustee did. It's -- Jeff Burr made
6 this decision and he made that change.

7 THE COURT: I think he also testified that he didn't
8 file under rules and give people 10 day notice when he made
9 changes in the past.

10 MR. LUSZECK: Your Honor, that -- that's irrelevant
11 though. But the distribution trustee knew that it was
12 occurring. The distribution trustee is the only one that
13 could object to that. She didn't object to it.

14 THE COURT: Well -- well, you know, this case will
15 go on and on and on as far as I'm going to deny the motion.
16 Noone's asked for my input on this before. They move back and
17 forth with distribution trustees from back and forth with Mr.
18 Burr. He was under attack for not following the formalities.
19 I made it real clear in my divorce decree that the supreme
20 court -- depending what they do on that came back to me on a
21 question for this Court that I would invalidate the trust
22 because I don't think they've been following the rules or
23 procedures or doing wily-nilly and why now all of a sudden
24 they want an order from the court and there's the substituted

1 was challenged that they didn't.

2 Basically on one of their challenges to a writ that
3 the effect that they failed to follow that procedures could be
4 grounds. But I think I made my divorce decree real quick --
5 real clear. I think I made a specific finding that in the
6 event that I felt clearly I could invalidate the trust. That
7 -- because that gave indication where I was going in case
8 supreme ruled otherwise that I would invalidate the trust
9 based on the formalities, the -- the concerns about the
10 conflict of interest I felt and a breach of fiduciary duties
11 that that could invalidate the trust, but I'll leave that to
12 the supreme court to decide, because my goal was not to
13 invalidate trust if I didn't have to if I could achieve the
14 divorce decree.

15 Based on what I'll do on that, that we'll protect
16 everybody from third party creditors because I could see
17 lawsuits coming out. So that's protect both sides and I think
18 that was my finding on that. So to restate, I'm denying the
19 motion and the countermotion for me to specifically appoint
20 distribution trustee or to substitute parties.

21 As far as another issue we have is do you want to
22 deal with the funding issue as far as the account that was in
23 issue?. Are you prepared for that issue as far as -- because
24 we said we would do it by phone conference. They were

Exhibit “N”

1 ORDR

2
3 EIGHTH JUDICIAL DISTRICT COURT
4 CLARK COUNTY, NEVADA

5 ERIC L. NELSON

6 Plaintiff,

7 vs.

8 LYNITA SUE NELSON,

9 Defendant.

Case No. D411537

Dept. No. IX

10 **ORDER DENYING MOTION TO DISQUALIFY JUDGE FRANK P. SULLIVAN**

11 This Court, having considered all pleadings filed in relation to the Plaintiff's Motion to
12 Disqualify filed December 3, 2013, decides the matter upon the pleadings and without oral
13 argument pursuant to EDCR 2.23.

14 Considering the merits of the present Motion, this Court concludes that Plaintiff's Motion
15 does not raise sufficient grounds to support disqualification and is denied. First, this Court notes
16 that the Nevada Supreme Court held that "a judge or justice is presumed not to be biased, and the
17 burden is on the party asserting the challenge to establish sufficient factual grounds warranting
18 disqualification." Hogan v. Warden, Ely State Prison, 112 Nev. 553, 559-60, 916 P.2d 805, 809
19 (1996) citing Goldman v. Bryan, 104 Nev. 644, 649, 764 P.2d 1296, 1299 (1988). Plaintiff has not
20 met this burden. The instant Motion states that Judge Sullivan should be disqualified due to his
21 bias against Plaintiff. Plaintiff raises several allegations of judicial bias in support of his Motion: that
22 Judge Sullivan penalized Plaintiff for filing a Writ of Prohibition, that his bias against Plaintiff was so
23 strong that he would not follow the direction of the Nevada Supreme Court, and that he was so
24 biased against Plaintiff that he refused to correctly apply the law in order to damage Plaintiff. This
25 Court, considering the entirety of the record, finds that Plaintiff's Motion fails to meet the burden
26 mandated in Hogan v. Warden and orders the Motion DENIED.
27
28

JENNIFER TOGLIATTI
DISTRICT JUDGE
DEPARTMENT IX

1 I. Allegations of Bias

2 a. *Penalization of Plaintiff for Filing Writ of Prohibition*

3 First, Plaintiff's Motion does not allege sufficient proof of Judge Sullivan's retaliation against
4 Plaintiff for filing a Writ of Prohibition. Plaintiff states that Judge Sullivan denied several of Plaintiff's
5 requests after the Writ was filed, and that Judge Sullivan's motivation for doing so was to have an
6 adverse effect on the Writ. The instant Motion states that, at a hearing held October 21, 2013 on a
7 Motion to Substitute Parties, Judge Sullivan stated he would deny Plaintiff's Motion to Substitute
8 and that he was "not sure if [the denial] could impact [Plaintiff's] writ." Plaintiff's Motion further
9 states that Judge Sullivan denied the Motion to Substitute Parties because he believed it would
10 adversely effect the Writ, which at the time was pending before the Nevada Supreme Court, and
11 that he did not grant the Motion because he was biased against Plaintiff. Besides being speculative
12 in nature, this allegation does not support a finding of bias on the part of the judge. It is well
13 established that the "[r]ulings and actions of a judge during the course of official judicial
14 proceedings do not establish legally cognizable grounds for disqualification." Matter of Dunleavy,
15 104 Nev. 784, 789, 769 P.2d 1271, 1274 (1988). As a result, Judge Sullivan's rulings, even those
16 adverse to Plaintiff, are not grounds for disqualification.

17 Next, to support the allegation that Judge Sullivan retaliated against Plaintiff after the filing
18 of the Writ, Plaintiff states that Judge Sullivan set unreasonable deadlines so that Plaintiff could not
19 seek relief from the Nevada Supreme Court. Plaintiff alleges that, at a hearing held June 19, 2013
20 on Defendant's Motion of Payment, Judge Sullivan ordered funds transferred from Plaintiff's Trust
21 to Defendant's Trust within thirty days because he believed Plaintiff would file an appeal and
22 wanted to give Plaintiff enough time to do so. The Judge then "quickly changed course and
23 demanded that [Plaintiff] turnover said funds. . . more than ten days sooner than required under the
24 divorce decree." This allegation that the Judge shortened a deadline is insufficient evidence of bias
25 or partiality on the part of the Judge, and does not support his disqualification. There is nothing
26 about the shortened deadline that would prevent Movant from seeking a stay and/or relief before
27 the Nevada Supreme Court. Again, under Matter of Dunleavy, Judge Sullivan's rulings are not
28

1 grounds for disqualification, and this allegation is insufficient to support disqualification. Id.

2 *b. Interpretation of Supreme Court Rulings*

3 Second, Plaintiff alleges that Judge Sullivan's bias is apparent because he sought to thwart
4 the Nevada Supreme Court's rulings in this matter, as evidenced by his statements that if the
5 Supreme Court granted Plaintiff's Writ of Prohibition, he would invalidate Plaintiff's trust. At a
6 hearing held September 5, 2013, Judge Sullivan stated that "depending on what the Supreme Court
7 does, you know, I thought my order of decree made it clear that I was inclined to set aside those
8 spendthrift trusts," and "depending on what the Supreme Court does, they may remand it back to
9 me and I may set aside the trust and we'll go to round two in the Supreme Court." Plaintiff
10 contends that these statements show bias toward Plaintiff and the Judge's "predisposition to do
11 anything he believes is necessary, even if it means ignoring the direction given by the Nevada
12 Supreme Court and/or Nevada law, to provide an economic windfall to [Defendant]." However,
13 these statements alone do not show sufficient bias to warrant judicial disqualification. It seems that
14 Judge Sullivan made these statements to show his confidence in his own interpretation of the law
15 concerning setting aside the trust, and noting that his previous decree should be clear in that
16 regard. Even if his legal position was incorrect, it would not be grounds for disqualification under
17 Dunleavy. Id.

18 *c. Incorrect Application of the Law*

19 Finally, Plaintiff's Motion states that Judge Sullivan should be disqualified because he has
20 repeatedly granted Defendant relief that is improper under the law. To illustrate this, Plaintiff points
21 to the Judge's alleged misinterpretation of Aime v. Aime, 106 Nev. 541 (1990). At a July 22, 2013
22 hearing, Judge Sullivan stated that he wished to treat a trust asset as an undisclosed asset, but that
23 he was "not sure" he could do so under Aime. Judge Sullivan further addressed his uncertainty of
24 how the asset should be treated under Aime, and stated "I don't know if that would hold up, to be
25 honest, because I haven't researched it." This allegation is also insufficient to warrant
26 disqualification. As noted above, Matter of Dunleavy states that a judge's ruling is not grounds for
27 disqualification. Matter of Dunleavy at 789, 1274. Furthermore, in order for a motion to disqualify
28 to succeed, a party must show "either actual bias against a party or evidence to support a

1 reasonable inference of bias." City of Sparks v. Second Judicial Dist. Court ex rel County of
2 Washoe, 112 Nev. 952, 920 P.2d 1014 (1996). Here, Judge Sullivan's uncertainty of the
3 correctness of his rulings does not constitute actual bias or a reasonable inference of bias. As a
4 result, this allegation is also insufficient to warrant disqualification.

5 *d. Conclusion*

6 Overall, Plaintiff's allegations of bias are insufficient to warrant the disqualification of Judge
7 Sullivan. Before a judge can be disqualified due to animus towards a party, egregious facts must
8 be shown. City of Las Vegas Downtown Redevelopment Agency v. Hecht, 113 Nev. 632, 637, 940
9 P.2d 127, 130 (1997). Further, to support disqualification, a party must show that a judge's hostility
10 must be "so extreme as to display clear inability to render fair judgment." Liteky v. United States,
11 510 U.S. 540, 114 S. Ct. 1147 (1994). As Plaintiff has not shown any such egregious facts, nor has
12 he shown any extreme hostility on the part of the Judge, the Motion to Disqualify must be denied.
13 Further, the Motion relies on Judge Sullivan's rulings, which, even if incorrect, are insufficient to
14 support his disqualification. Additionally, Judge Sullivan swore in his affidavit that he bears no bias
15 or prejudice for or against any of the parties involved, and that all of his decisions and rulings have
16 been based on law, not based upon any prejudice or bias

17 II. Procedural Issues

18 *a. Lack of Affidavit Required by NRS 1.235*

19 As correctly noted by Defendant in her Opposition filed December 13, 2013, NRS 1.235 (1)
20 requires that motions to disqualify must be accompanied by an affidavit specifying the facts upon
21 which disqualification is sought. Plaintiff argued in his Response to Defendant's Opposition filed
22 December 24, 2013 that the notion that a motion to disqualify be accompanied by an affidavit is
23 "absurd and unsupported by law." However, this is incorrect, and because there was no affidavit
24 included with the instant Motion, the Motion is procedurally deficient under NRS 1.235 (1).

25 *b. Timeliness*

26 Next, the Motion is untimely, as it was filed after the time periods provided in NRS 1.235 (1).
27 Plaintiff filed the Motion under the guidelines provided in Towbin Dodge, LLC v. Eighth Judicial Dist.
28 Ct., 121 Nev. 251 (2005), which are that a party may file a motion to disqualify after the time

1 deadline set by 1.235 if new grounds for disqualification are discovered. However, as stated in
2 Defendant's Opposition, Towbin Dodge states that a party must file their motion to disqualify as
3 soon as possible after new grounds have been discovered. Id. Here, Plaintiff filed the Motion to
4 Disqualify between three and six months after the actions of Judge Sullivan took place. Therefore,
5 the Motion is not timely under Towbin Dodge nor NRS 1.235 (1). Id.

6 *c. Defendant's Countermotion for Attorney's Fees*

7 First, this Court notes the authority for its decision on a Motion to Disqualify is silent as to
8 the need for a responsive pleading by any party, as well as silent as to the Court's authority to
9 award attorneys fees for the same. NRS 1.235. The Nevada Supreme Court has noted that only
10 the judge whose bias and prejudice has been questioned "can determine whether he or she has a
11 personal bias or prejudice toward litigants or their counsel." Millen v. Eighth Judicial District, Ex rel.
12 County of Clark, 122 Nev. 1245, 1254, 148 P.3d 694, 700 (2006). As a result, the instant Motion,
13 which calls into question the bias of Judge Sullivan, cannot necessarily be considered frivolous, as
14 it seeks an answer that only Judge Sullivan himself could give. While EDCR 7.60 allows for
15 attorneys fees as a sanction for a frivolous motion, based upon Millen and the unusual nature of
16 disqualification proceedings and the law in this area, the Court declines to award attorneys fees
17 under EDCR 7.60 and ORDERS the Countermotion DENIED.

18 Therefore, IT IS HEREBY ORDERED that Plaintiff's Motion to Disqualify Judge Sullivan is
19 DENIED, and Defendant's Countermotion for Attorney's Fees is DENIED.

20
21 DATED this 10th of January, 2014.

22
23
24 
25 JENNIFER TOGLIATTI
26 CHIEF DISTRICT COURT JUDGE
27
28

CERTIFICATE OF SERVICE

I hereby certify that on about the date filed, a true copy of the foregoing Order Denying Motion To Disqualify Judge Frank P. Sullivan (D411537) was served upon the following:

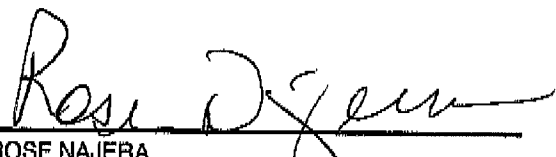
Hon Frank P. Sullivan
Department O
601 N. Pecos Rd.
Las Vegas, NV 89101
Fax: 455-1338

RHONDA FORSBERG, ESQ.
SMITH CHTD
64 N. PECOS RD #700
HENDERSON NV 89074
FAX: 990-6456

ROBERT DICKERSON, ESQ.
DICKERSON LAW GROUP
1745 VILLAGE CENTER CR
LAWS VEGAS, NV 8989134
FAX: 388-0210

MARK A. SOLOMON, ESQ.
SOLOMON DWIGGINS & FREER LTD
9060 W. Cheyenne Ave.
Las Vegas, NV 89129
Fax: 853-5485

JEFFREY LUSZECK, ESQ.
SOLOMON DWIGGINS & FREER LTD
9060 W. Cheyenne Ave.
Las Vegas, NV 89129
Fax: 853-5485


ROSE NAJERA
JUDICIAL EXECUTIVE ASSISTANT, DEPARTMENT IX

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding Decision and Order filed in District Court case number 09C253054-2 **DOES NOT** contain the social security number of any person.

/s/ Rose Najera Date 1/10/14
Judicial Executive Assistant

JENNIFER TOGLIATTI
DISTRICT JUDGE
DEPARTMENT IX

Exhibit “M”

APN: 163-10-803-015
Affix R.P.T.T. \$4,227.90

WHEN RECORDED MAIL TO and MAIL TAX
STATEMENT TO:
STEFAN NATHAN CHOCK
7065 PALMYRA AVENUE
LAS VEGAS, NV 89117

Inst #: 201311010001148
Fees: \$19.00 N/C Fee: \$0.00
RPTT: \$4227.90 Ex: #
11/01/2013 11:34:27 AM
Receipt #: 1829701
Requestor:
CHICAGO TITLE LAS VEGAS
Recorded By: SAO Pgs: 4
DEBBIE CONWAY
CLARK COUNTY RECORDER

ESCROW NO: 13042142-149-CK

GRANT, BARGAIN, SALE DEED

THIS INDENTURE WITNESSETH: That

Lynita Sue Nelson, Trustee of the Nelson Trust u/a/d July 13, 1993

in consideration of \$10.00 and other valuable consideration, the receipt of which is hereby acknowledged, do hereby Grant, Bargain, Sell and Convey to

Stefan Nathan Chock, An Unmarried Man

all that real property situated in the County of Clark, State of Nevada, bounded and described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Subject to: 1. Taxes for the current fiscal year, paid current.
2. Conditions, covenants, restrictions, reservations, rights, rights of way and easements now of record, if any.

Together with all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

Witness my/our hand(s) this 30th day of October, 2013.

The Nelson Trust u/a/d July 13, 1993



By: Lynita Sue Nelson, Trustee

Lynita Sue Nelson, Trustee

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this October 30, 2013
appeared before me, a Notary Public,

Lynita Sue Nelson
personally known or proven to me to
be the person(s) whose name(s) is/are
subscribed to the above instrument,
who acknowledged that he/she/they
executed the instrument for the
purposes therein contained.


Notary Public Carla Kuhl

My commission expires: 4-14-14

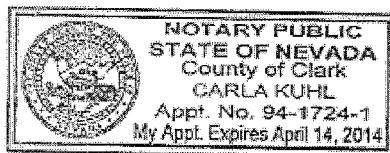


EXHIBIT A
LEGAL DESCRIPTION

THAT PORTION OF THE SOUTHEAST QUARTER (SE 1/4) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 10, TOWNSHIP 21 SOUTH, RANGE 60 EAST, M.D.B. & M., DESCRIBED AS FOLLOWS:

PARCEL THREE (3) OF THE CERTAIN PARCEL MAP ON FILE IN FILE 46, PAGE 43, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

TOGETHER WITH THAT PORTION OF PALMYRA AVENUE LYING ADJACENT AND NORTHERLY OF SAID LAND AS VACATED BY THE BOARD OF COMMISSIONERS OF CLARK COUNTY, NEVADA IN AN ORDER OF VACATION RECORDED JANUARY 28, 1994, IN BOOK 940128 AS DOCUMENT NO. 01280 AND RE-RECORDED JULY 8, 1994, IN BOOK 940708 AS DOCUMENT NO. 00922 OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

APN: 163-10-803-015

Exhibit “L”

BANONE, LLC

Lynita Nelson

3029

Check Number: 3029

Check Date: Jul 23, 2013

Duplicate

Check Amount: \$3,174.00

Item to be Paid - Description

Discount Taken

Amount Paid

Carol June Child Support

1,054.00

Carol June Child Support

1,054.00

Carol July Child Support

1,058.00

3029

BANONE, LLC

3511 S. LINDELL ROAD, STE 201
LAS VEGAS, NV 89102
(702) 382-0081

CITY NATIONAL BANK
TWIN BANKING OFFICE
LAS VEGAS, NEVADA 89102
15-1026-1520

DATE

Jul 23, 2013

AMOUNT

***\$3,174.00

Three Thousand One Hundred Seventy-Four and 00/100 Dollars

PAY

TO THE
ORDER OF

Lynita Nelson
7065 Palmyra Avenue
Las Vegas, NV 89117



AUTHORIZED SIGNATURE

Memo: Child Sppt/June/Carol/6/July-Ca

003029 0122016066 363-532780*

3125

BANONE, LLC

Lynita Nelson

Check Number: 3125

Check Date: Jan 28, 2014

Duplicate

Check Amount: \$1,076.00

Discount Taken Amount Paid

Item to be Paid - Description

Carli Child support - Feb

1,058.00

Child support - Addl Jan -mistaken ck amount

18.00

CITY NATIONAL BANK
TWIN BANKING OFFICE
LAS VEGAS, NEVADA 89103
16-1608-1220

BANONE, LLC
3611 S. LINDELL ROAD, STE 201
LAS VEGAS, NV 89103
(702) 362-3030

DATE AMOUNT
Jan 28, 2014
***\$1,076.00

One Thousand Seventy-Six and 00/100 Dollars

PAY

TO THE ORDER OF
Lynita Nelson
3316 Chesterbrook Court
Las Vegas, NV 89135


AUTHORIZED SIGNATURE

Memo: Carli support - Feb/addl Jan

⑈003125⑈ ⑆122016066⑆ 363⑈532780⑈

Security Features. Details on back



552903125

Interested in receiving payments electronically?
Visit us at PAYELECTRONIC.COM

REMOVE DOCUMENT ALONG THIS PERFORATION

THE BACK OF THIS CHECK CONTAINS A SECURITY MARK. DO NOT ACCEPT WITHOUT HOLDING AT AN ANGLE TO VERIFY SECURITY MARK.

Please Post to Account: CARLI NELSON SUPPORT

BARONE LLC LLC
3611 SUNDEL RD # 201
LAS VEGAS, NV 89103

CITY NATIONAL BANK
LOS ANGELES, CA

16 508
1230

9014

February 24, 2014

PAY One Thousand Fifty Eight and 00/100 Dollars

TO THE ORDER OF: #CSP010007899960# 21893009
LYNITA NELSON
3316 CHESTERBROOK CT
LAS VEGAS NV 89135-2809

\$ *****1058.00

VOID NO EASY 24 HOUR SERVICE
PAYELECTRONIC.COM



SIGNATURE ON FILE

This check has been authorized by your depositor



Memo: CARLI SUPPORT

⑈9014⑈ ⑈122016066⑈ 363532780⑈

Exhibit “K”

1 **NOTC**

2 Larry L. Bertsch, CPA, CFF

3 Nicholas S. Miller, CFE

4 **LARRY L. BERTSCH, CPA & ASSOCIATES**

5 265 East Warm Springs Rd., Suite 104

6 Las Vegas, Nevada 89119

7 Telephone: (702) 471-7223

8 Facsimile: (702) 471-7225

9 *Forensic Accountants*

10 **DISTRICT COURT**

11 **FAMILY DIVISION**

12 **CLARK COUNTY, NEVADA**

13 **ERIC L. NELSON,**

14 Plaintiff,

Case No. D-09-411637-D

Dept. O

15 v.

16 **LYNITA SUE NELSON,**

17 Defendant.

**NOTICE OF FILING ASSET SCHEDULE
AND NOTES TO ASSET SCHEDULE**

18 Larry L. Bertsch, CPA, CFF, and Nicholas S. Miller, CFE, of the accounting firm of LARRY
19 L. BERTSCH, CPA & ASSOCIATES, hereby file as Exhibit "A" their Asset Schedule and Notes to
20 Asset Schedule pursuant to Judge Sullivan's Order in this matter.

21 DATED this 5th day of July, 2011.

22 **LARRY L. BERTSCH CPA & ASSOCIATES**

23 
Larry L. Bertsch, CPA, CFF

Nicholas S. Miller, CFE

265 East Warm Springs Rd., Suite 104

Las Vegas, Nevada 89119

(702) 471-7223 Telephone

(702) 471-7225 Facsimile

Forensic Accountants

CERTIFICATE OF SERVICE

I hereby certify that on the 5th day of July, 2011, I mailed a copy of the Notice of Filing Asset Schedule and Notes to Asset Schedule to the following at the last known address, by depositing the same in the United States mail in Las Vegas, Nevada, first class postage prepaid and addressed as follows:

David A. Stephens, Esq.
STEPHENS, GOURLEY & BYWATER
3636 N. Rancho Drive
Las Vegas, NV 89130
Attorneys for Plaintiff Eric L. Nelson

Robert P. Dickerson, Esq.
THE DICKERSON LAW GROUP
1745 Village Center Circle
Las Vegas, NV 89134
Attorneys for Defendant Lynita Sue Nelson

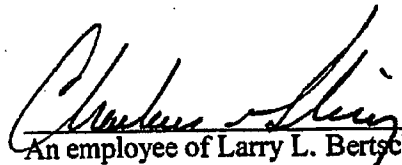

An employee of Larry L. Bertsch, CPA & Associates

Exhibit “A”

Exhibit “A”

Nelson v. Nelson
Asset Schedule

July 5, 2011

Larry L. Bertsch, CPA & Associates

Larry L. Bertsch, CPA, CFF

Nicholas S. Miller, CFE, CSAR, MBA

Nelson v. Nelson
Asset Schedule

	NOTE	Lynita Value	Eric Value	Asset Titled	Income Producing
Real Estate					
7065 Palmyra - Las Vegas, Nevada	1	650,000	910,000	Lynita - Trust	NO
2911 Bella Kathryn Circle - Las Vegas	2	TBD	900,000	Eric Trust - Banone	NO
2911 Bella Kathryn Circle - Las Vegas	2	TBD	175,000	Eric Trust - Banone	NO
AZ-31 Gateway Lots	24	139,500	139,500	Lynita Trust	NO
AZ-29 Gateway Lots	17	139,500	139,500	Eric - Trust	NO
<u>Russell Road Property (65%)</u>	3				
Owned by Eric Nelson Auctioneering (50%)	3a	TBD	2,000,000	Eric - Trust	YES
Owned by Eric Nelson Trust (15%)	3b	TBD	2,000,000	Eric - Trust	YES
Receivable from CJE & L. LLC	3c	742,368	TBD	Eric - Trust	Unknown
Brianhead, Utah	4	2,000,000	2,000,000	Each Trust - 50%	NO
3611 Lindell - Las Vegas	5	TBD	1,400,000	Each Trust - 50%	YES
5913 Pebble Beach	6	75,000	75,000	Lynita - Trust	NO
Wyoming - 200 acres (40%)	7	TBD	800,000	Lynita - Trust	NO
Mississippi Properties					
830 Arnold Ave. (Clay House) - Greenville, Miss.	8	40,000	40,000	Lynita - Trust	YES
<u>MS Bay 200 Acres - allocated</u>	9				
<u>Emerald Bay, LLC (Holding Company)</u>	9a	45,500	None	Each Trust - 50%	NO
Bal Harbour, LLC	9b	TBD		Each Trust - 50%	NO
Bay Beach Resorts, LLC	9c	TBD		Each Trust - 50%	NO
Bay Resorts, LLC	9d	TBD		Each Trust - 50%	NO
<u>MS Bay allocated acreage- Lynita Trust</u>					
Lynita Trust - not used	9e	TBD		Lynita - Trust	NO
RV Park	9f	TBD		Lynita - Trust	YES
<u>Dynasty</u>	10	TBD		Eric Trust - Dynasty	
Silver Slipper	10a	TBD		Eric Trust - Dynasty	YES
MS Bay allocated acreage Titled to Dynasty	10b	TBD	937,500	Eric Trust - Dynasty	NO
MS Bay allocated acreage Titled Frank Soris Trust	10c	TBD	312,500	Eric Trust - Dynasty	NO
<u>Grotta, LLC -- 16.67% interest</u>	11	TBD		Lynita - Trust	NO
Dynasty profit sharing agreement	11a	TBD		Lynita - Trust	NO
MS Bay allocated interest - titled to Grotta, LLC	11b	TBD	16,667	Lynita - Trust	NO
<u>Grotta Financial Partnership</u>	11c				NO
<u>Riverwalk Ent. (Holding Company for Hideway Casino)</u>	12	Unknown	None	Eric - Trust	NO

TBD = To Be Determined

Notes to Asset Schedule are an integral part of this schedule

Other Investments**Banone, LLC**

4412 Baxter - Las Vegas	13,13a	62,522	82,522	Eric Trust - Banone	YES
5314 Clover Blossom Court - North Las Vegas, Nevada	13	108,705	108,750	Eric Trust - Banone	YES
1301 Heather Ridge - North Las Vegas	13	118,459	118,459	Eric Trust - Banone	YES
6213 Anaconda - Las Vegas	13	81,411	81,411	Eric Trust - Banone	YES
1608 Rusty Ridge Lane - Henderson (Daughters House)	13	77,526	77,526	Eric Trust - Banone	NO
Mesa Vista (5 acres)	13	100,000	100,000	Eric Trust - Banone	NO
Mesa Vista - Lot 68	13	21,229	21,229	Eric Trust - Banone	NO
2209 Farnmouth Circle - Nevada	13	88,166	88,166	Eric Trust - Banone	YES
3301 Terra Bella Drive - Nevada	13	65,013	65,013	Eric Trust - Banone	YES
4133 Compass Rose Way - Nevada	13	67,820	67,820	Eric Trust - Banone	YES
4601 Concord Village Drive - Nevada	13	61,070	61,070	Eric Trust - Banone	YES
4612 Sawyer Ave - Nevada	13	49,304	49,304	Eric Trust - Banone	YES
4820 Marnell Drive - Nevada	13	23,643	23,643	Eric Trust - Banone	YES
5113 Churchill Ave. - Nevada	13	58,070	58,070	Eric Trust - Banone	YES
5704 Roseridge Ave. - Nevada	13	61,510	61,510	Eric Trust - Banone	YES
6301 Cambria Ave. - Nevada	13	68,244	68,244	Eric Trust - Banone	YES
6304 Guadalupe Ave. - Nevada	13	41,599	51,499	Eric Trust - Banone	YES
Mesa Vista - Lot 67 - Arizona (Decded Back)	14	21,263	21,263	Eric Trust - Banone	NO
1628 W. Darrel Road - Arizona	14	37,882	37,882	Eric Trust - Banone	YES
1830 N. 66th Drive - Arizona	14	24,791	24,791	Eric Trust - Banone	YES
1837 N. 59th Street - Arizona	14	29,050	29,050	Eric Trust - Banone	YES
2220 W. Tonto Street - Arizona	14	30,906	30,906	Eric Trust - Banone	YES
3225 W. Roma Ave. - Arizona	14	31,299	31,299	Eric Trust - Banone	YES
3307 W. Thomas Road - Arizona	14	35,383	35,383	Eric Trust - Banone	YES
3332 N. 80th Lane - Arizona	14	29,924	29,924	Eric Trust - Banone	YES
3415 N. 84th Lane - Arizona	14	35,368	35,368	Eric Trust - Banone	YES
3424 W. Bloomfield Road - Arizona	14	43,084	43,084	Eric Trust - Banone	YES
3631 N. 81st Ave. - Arizona	14	30,063	30,063	Eric Trust - Banone	YES
4141 N. 34th Ave. - Arizona	14	21,804	21,804	Eric Trust - Banone	YES
4541 N 76th Ave. - Arizona	14	32,540	32,540	Eric Trust - Banone	YES
4816 S. 17th Street - Arizona	14	19,633	19,633	Eric Trust - Banone	YES
5014 W. Cypress Street - Arizona	14	30,324	30,324	Eric Trust - Banone	YES
5518 N. 34th Drive - Arizona	14	27,641	27,641	Eric Trust - Banone	YES
6172 W. Fillmore Street - Arizona	14	39,871	39,871	Eric Trust - Banone	YES
6202 S. 43rd Street - Arizona	14	27,772	27,772	Eric Trust - Banone	YES
6720 W. Cambridge Ave. - Arizona	14	32,563	32,563	Eric Trust - Banone	YES
6822 W. Wilshire Drive - Arizona	14	40,477	40,477	Eric Trust - Banone	YES
6901 W. Coolidge Street - Arizona	14	32,583	32,583	Eric Trust - Banone	YES

Banone, LLC - AZ

4838 W Berkeley Rd. - Arizona	15	TBD	32,622	Eric Trust - Banone	YES
8 Homes - Arizona	15	TBD	251,000	Eric Trust - Banone	NO

Banone Nevada Notes Receivable

R & D Custom Builders - DMV Lot 16-17 (secured)	16			Eric Trust - Banone	
Advantage Construction - MV Lot 37 (secured)	16a	46,463		Eric Trust - Banone	YES
Gerald & Linda Fixsen - MV Lot 52 (secured)		20,081		Eric Trust - Banone	YES
Gerald & Linda Fixsen - MV Lot 53 (secured)		22,838		Eric Trust - Banone	YES
Joe Williams & Sherry Fixsen - MV Lot 54 (secured)		22,838		Eric Trust - Banone	YES
Bideo, Inc. - MV Lot 61 (secured)		21,263		Eric Trust - Banone	YES
Cary & Troy Fixsen - MV Lot 98 (secured)		22,838		Eric Trust - Banone	YES
Amada & Chris Stromberg (secured by Condo in PA)	16b	133,357		Eric Trust - Banone	YES
JB Ramos Trust (secured by 436 Europa Way)	16c	78,000		Eric Trust - Banone	YES
Katherine Stephens (secured by 1601 Knoll Heights)	16d	83,000	63,000	Eric Trust - Banone	YES
Chad Ramos (secured 7933 Dover Shores)	16e	60,000		Eric Trust - Banone	YES
Alicia Harrison (secured by 1025 Academy)		68,620		Eric Trust - Banone	YES
Eric T. Nelson (secured by 8619 W. Mohave - AZ)	16f	95,000		Eric Trust - Banone	YES
Michael & Lyndia Asquith - MV Lot 50 (secured)	16g	23,625		Eric Trust - Banone	NO

TBD = To Be Determined

Notes to Asset Schedule are an integral part of this schedule

Other Receivables						
Frank Soris (Contingent)	17	TBD	1,000,000	Eric - Trust	YES	
Nikki Cvintavich	18	200,000	200,000	Eric Nelson	YES	
Family Loans						
Chad Ramos	19	261,675	-	Eric - Trust	Unknown	
Jesse Harber	20	47,000	25,000	Eric - Trust	Unknown	
Brock Nelson		10,000	10,000	Eric - Trust	Unknown	
Autos/Vehicles						
2008 Escalade EXT SUV (Owned) (Eric's)	21	40,475	38,840	Eric - Trust	NO	
2007 Mercedes SL 550 (Owned) (Eric's)	21	50,115	42,845	Eric - Trust	NO	
2011 Audi (Leased) (Lynita's)		Lease	Lease	Lynita	NO	
ATV's and Snowmobiles	21a	TBD	TBD	Unknown	NO	
Tax Situation						
2006 Tax Refund (Held by Dave Stephens, Esq.)	22	110,125	110,128	Eric Nelson	NO	
Cash & Investment Accounts						
Lynita's Accounts						
Schwab Capstone Capital- 2834 (3/31/2011)	23	1,016,969		Lynita - Trust		
Credit Union 1 37214-01 (3/31/2011)	23	5		Lynita - Trust		
Credit Union 1 37214-22 (3/31/2011)	23	48,274		Lynita - Trust		
Silver State 3736-01 (3/31/2011)	23	2,020		Lynita Nelson		
Silver State 3736-80 (3/31/2011)	23	3,767		Lynita Nelson		
Eric Accounts						
Bank of America 5010-0976-5829 (3/31/2011)	23		82,781	Eric - Trust		
Bank of America 5010-0716-2754 (3/31/2011)	23		13,685	Eric Trust - Banone		
Bank of America 0050-1157-7064 (3/31/2011)	23		3,533	Eric Trust - Banone		
Bank of America 5010-1100-6958 (3/31/2011)	23		7,439	Eric Trust - EN Auct		
Citi National Bank 363201539 (3/31/2011)	23		84,919	Eric Trust - Banone		
Citi National Bank 363005152 (3/31/2011)	23		4,304	Eric Trust - Dynasty		
Citi National Bank 363250807 (3/31/2011)	23		13,316	Eric Trust - Banone		
Mellon - 10594001700 (3/31/2011)	23		2,757,160	Eric - Trust		
Liabilities						
Frank Soris Contingent Liability	17		(562,981)	Eric - Trust		
Due on Line of Credit (3/31/2011)	23		(1,807,369)	Eric - Trust		

TBD = To Be Determined

Notes to Asset Schedule are an integral part of this schedule

Nelson v. Nelson
Notes to Asset Schedule

July 5, 2011

Larry L. Bertsch, CPA & Associates

Larry L. Bertsch, CPA, CFF

Nicholas S. Miller, CFE, CSAR, MBA

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Larry L. Bertsch, CPA & Associates reserves the right to update this report upon the production of additional documents. The information contained within this report is for use only in the conjunction with the surrounding Clark County District Court case Nelson v Nelson.

Note 1 - 7065 Palmyra

This is the current residence of Lynita Nelson. It has been alleged that improvements have been made to the property in the last two years. The parties do not agree on the value of the Property.

Since there is no agreement on the value of the property, it is recommended an appraisal be made on the property directed by an independent third party.

Note 2 - 2911 Bella Kathryn

This is the current residence of Eric Nelson which includes an adjacent vacant lot for which Eric is conducting improvements. Eric has valued the property as \$900,000 for the residence and \$175,000 for the adjoining lot. Lynita does not agree and her issue is stated below.

According to the detailed records of Eric Nelson, a total amount of \$1,362,612.57 has been spent towards the property which contains the house. The house was initially purchased for \$381,984.00 on 12/28/2009 and improvements have been made to the property as of 06/11/2011 amounting to \$980,628.57.

In reviewing the details of the house improvements on the general ledger kept by Eric Nelson, there was only one payment recorded to a relative, Paul Nelson, in the amount of \$25,000 and designated as contract labor in building the Residence. There were other payments recorded to relatives for reimbursement of materials and supplies used on the building of the residence. None of the reimbursed amount appeared material or not related to the residence. Those reimbursed payments were made to Paul Nelson, Cal Nelson, and to Big Fish, LLC, a company owned by Cal Nelson.

The adjoining lot was purchased on 08/11/2010 for a cost of \$175,000. As of 06/11/2011, improvements have been made towards the lot in the amount of \$64,558.68. In total, the purchase price and additional improvements towards this property amount to \$239,558.68.

Therefore the aggregate costs of the residence and adjoining lot at 06/11/2011 amounts to \$1,602,171.25.

Since there is no agreement on the value it is recommended an appraisal be made of the property directed by an independent third party or a decision that funds expended for the property be the criteria of value.

At issue - Lynita claims Eric has used community funds to build this residence and feels regardless of an appraisal, she should receive 50% on the costs to buy and build the property.

Note 3 - Russell Road Property

History

Property consisting of 3.3 acres at 5220 E. Russell Road was purchased on November 11, 1999 for \$855,945 by the Lynita Nelson Trust and the down payment from Cal Nelson amounting to \$20,000. Lynita then became a 50% partner with Cal Nelson in a partnership named CJE&L, LLC which was formed for the purpose of renting the property to Cal's Blue Water Marine.

Shortly thereafter, CJE&L, LLC obtained a loan from Business Bank of Nevada in the amount of \$3,100,000. The purpose of this loan was to build a building for the operations of Cal's Blue Water Marine, Inc. The loan was to be guaranteed by Clarence and Jeanette, individually as well as their Trust dated May 31, 2001 and also Cal's Blue Water Marine, Inc.

Sometime in 2004, Lynita signed a guarantee on the flooring contract for the inventory of Cal's Blue Water Marine, Inc. On 01/01/2005, Lynita withdrew her guarantee of the flooring contract and in return, Lynita signed an assignment or forfeit of her interest in the partnership to remove her from the property records. (The Examiner has not seen the flooring agreement that was signed by Lynita, although requested - Each of the parties claims the other has the contract). According to the records, the forfeiture of partnership interest was transferred to the capital account of Cal Nelson there being no cash attached to the transaction.

The boat business failed in 2008. At that time, the Bank demanded a \$300,000 pay down to keep the loan in performing status. Eric paid the \$300,000 which was secured by property owned by Cal Nelson and located in Utah.

Eric's purchase of the interest in property

On or about 02/10/2010, Eric Nelson decided to purchase a 65% interest in the property. Eric's 65% interest is said to have cost \$4,000,000; which is comprised of the following amounts:

- 1) In 2009, Eric purchased an FDIC note on a property in Phoenix commonly known as "Sugar Daddy's" for approximately \$520,000. The source of these funds came from the Line of Credit. The property was sold with proceeds amounting to \$1,520,597.88. Since this was designed as a 1031 exchange, the proceeds were used in 2010 to purchase Eric's interest in the Russell Road Property.
- 2) As indicated above, Eric had previously paid \$300,000 to pay down the Bank Loan which was secured by property in Utah. In addition, Eric paid off the mortgage on Cal's house amounting to \$400,000. Both amounts were paid from Eric's Line of Credit. These two amounts aggregating \$700,000 were then used as a credit towards the purchase price for Eric's interest.

3) Eric gave a credit amounting to \$522,138.47 which represented future agreements with Cal and the termination of any present verbal partnership agreements. This also included money on rental payments given to Cal.

4) The remaining amount to fulfill the obligation of the purchase price was to borrow \$1,257,263.67 from the Line of Credit in 2010.

Therefore the purchase of Eric's interest is comprised of the following:

Pay down of Bank Loan	\$ 300,000.00
Pay off of personal residence of Cal Nelson	400,000.00
Credit to Cal Nelson for prior payments	522,138.45
Amount to pay Bank Note from Sugar Daddy's	1,520,597.88
Amount to pay Bank Loan from Line of Credit	1,257,263.67
	<u>\$ 4,000,000.00</u>

Therefore the amount of cash contributed directly to the interest in the property by Eric in 2010, amounts to \$2,777,861.55 (1,520,597.88 + 1,257,263.67). The cash reportedly paid off the original loan held by Business Bank of Nevada.

According to CJE&L's tax returns and representations made by Cal Nelson, Cal Nelson's capital account includes \$855,000; which represents the purchase price of the land originally purchased on November 11, 1999 by the Lynita Nelson Trust as well as \$501,529 in leasehold improvements made by Cal's Blue Water Marine. The summary document supporting the leasehold improvements contribution was believed to be at cost and not the net depreciated value. As prior indicated Cal's Blue Water Marine eventually failed in 2008. Since the Business failure in 2008, Cal Nelson has taken distributions from CJE&L of \$11,096 in 2009 and \$73,978 in 2010, aggregating to \$85,074.

The current ownership of the 5220 E. Russell Road property is 50% by Eric Nelson Auctioneering (an asset of the Eric Nelson Trust), 15% by the Eric Nelson Trust and 35% by CJE&L, LLC. (See below).

Note 3a - 50% in Russell Road owned by Eric Nelson Auctioneering

In the purchase of the Russell Road Property, the ownership of 65% of the property purchase from CJE & L, LLC was described above to be \$4,000,000. Eric Nelson says that 50% of the interest was designated to be owned by Eric Nelson Auctioneering and the other 15% by the Eric Nelson Trust.

Note 3b - 15% sale back to Cal Nelson for 15% interest by Eric Trust

The 15% interest is evidenced by a note in the amount of \$2,000,000 the principal amount is due in seven years from 2/3/2010 from Cal Nelson to Eric Nelson Trust. The note is secured by 15% of the real property owned by CJE & L, LLC and 15% of all rents collected from the property will be recognized as interest on the note.

Note 3c - Receivable from CJE & L, LLC amounting to \$742,368.

According to the 2010 tax return of CJE&L, LLC (owned 99% by Nelson Nevada Trust (Cal's Trust) and 1% by Cal Nelson), the company reports a liability in the amount of \$742,368 is due to Eric Nelson Auctioneering (Reported under Eric Trust - Eric Nelson Auctioneering). We have not received information as to the nature of this note.

Because of the controversy on this property, it is recommended that an appraisal of the property be made directed by an independent third party.

At issue, Lynita believes that Cal Nelson has not put any capital into the investment and therefore the amount of this asset is 100% owned solely by Lynita and Eric Nelson.

Also at issue is that Lynita bought the land for \$855,000 and was forced to forfeit her interest through an assignment to Cal Nelson. This issue is over a guarantee made by Lynita on a flooring arrangement on boats for a company owned by Cal Nelson, named Cal's Blue Water Marine.

Subsequent Transaction

The property was sold to the Oasis Baptist Church on 05/27/2011, prior to this transaction, the church held an option to purchase for \$6,500,000. The payments on the note were to begin on 09/01/2011. Until this date, the Oasis Baptist Church was to pay \$17,500 each month for the months of June, July, and August. Then starting on 09/01/2011 the Oasis Baptist Church will pay interest only at 6% on \$6,000,000 for 5 years and then will have a balloon payment due of \$6,500,000.

This contract was amended on 06/15/2011 because the Church could not get an exemption from property taxes unless they own the property. Therefore the original financial arrangement has been amended.

The Oasis Baptist Church needs additional improvements in order to bring their school over to the Russell Road property. In order to do this, they need an additional \$300,000 in funds for improvements to the property. Currently, they are paying \$20,000 per month space rental for them to conduct their school.

As of 06/15/2011, Julie Brown loaned \$300,000 to the Oasis Baptist Church and has a 1st Note/Deed on the property.

A 2nd Note/Deed is placed on the property to recapture all back rents and taxes in the amount of \$295,000. The 2nd Note/Deed is shared 1/3rd to Eric Nelson Auctioneering, 1/3rd to the Eric Nelson Trust and 1/3rd to CJE&L, LLC.

Therefore the remaining amount of \$6,500,000 through subordination has become a 3rd Note/Deed in the favor of shared 1/3rd to Eric Nelson Auctioneering, 1/3rd to the Eric Nelson Trust and 1/3rd to CJE&L, LLC.

The current terms are to pay \$17,500 per month until 09/01/2011 and \$30,000 thereafter. However they may ask that the payments be extended to 12/01/2011 before they begin to pay \$30,000 per month for their purchase of the property.

We understand there is a servicing agreement to collect the mortgage payments. We do not know the entity that the servicing arrangement is contracted.

The servicing agency is an issue with Lynita.

Note 4 - Brianhead, Utah

The property located in Brianhead, Utah includes a cabin on 150 acres. In addition to the property and building, the ownership includes water rights.

Eric originally valued the asset at \$3,000,000 but now believes the property has a value of approximately \$2,000,000. Lynita states the property should bring \$2,000,000 at sale, which is her preference.

It appears there is an agreement on the value of this property. However, there is no agreement on the disposition of the asset. As a result, a third-party appraisal may be required to determine the value either party should pay to buy the other one out.

Note 5 - 3611 Lindell

This property is an office complex. The complex has 13,040 square feet and is the location of Eric Nelson offices. Eric collects the monthly rents as well as pays for the monthly maintenance.

Both income and expenses will be listed in the Sources of Income and Expenses report.

Since there is a disagreement about the value of the office building, it is recommended an appraisal by made of the property by an independent third party.

Note 6 - 5913 Pebble Beach

This property is owned by the LSN Nevada Trust and is occupied by Lynita's sister, Thelma. The mortgage of \$69,000 has been paid off and the property is currently unencumbered. It appears that neither party is interested in the property and may become a non-issue.

Note 7 - Wyoming (200 acres)

This property consists of 200 acres located in Evanston, Wyoming and owned 40% by Lynita's Trust, 50% by Paul Nelson (relative) and 10% by Aleda Nelson (relative). This property could be developed into 84 Lots and are in the name of Equestrian Estates, LLC.

Eric has given a value for Lynita's 40% interest in the property of \$800,000. Lynita has not determined a value,

It is recommended an appraisal be made by an independent third party to obtain a value of the 40% interest.

Note 8 - 830 Arnold Ave.

This is a 1,300 sq. ft. house located in Greenville Mississippi. The house is being rented at \$500 per month and the rent is being collected and deposited into Banone's Bank Account. Eric has valued the property at \$40,000, which is believed to be the initial purchase price of the property.

Because there are so many other issues, it is recommended the purchase price be considered the value based upon the current economic conditions.

Note 9 - MS Bay (200 acres)

This is 200 acres located in Mississippi. The ownership and titles to the property are not clear and need to be addressed. Currently the property is titled as follows:

	<u>Acres</u>
Bal Harbour, LLC (Note 9b)	4.7790560
Bay Harbour Beach Resort, LLC (Note 9c)	2.7996560
Emerald Bay, LLC (note 9a)	0.2217080
Grotta (Note 11)	25.3773880
Lynita Trust - RV Park (Note 9e)	20.6856080
Lynita Trust (Note 9f)	41.0152290
	<u>94.8786450</u>
Dynasty (Note 10b)	91.0927580
Frank Soris Family Trust (Note 10c)	30.1382120
	<u>121.2309700</u>
Total Acres	<u>216.1096150</u>

Note 9a - Emerald Bay, LLC has .221708 acres titled in its name, which was purchased for \$55,000. Emerald Bay, LLC (formally Paradise Bay Mississippi, LLC was formed in 2005 and changed name in 2007) is a holding Company whose purpose was to assemble property of 120

acres about 2 miles from the current Silver Slipper Casino to develop a resort type project. The subsidiaries of the Company were Bal Harbour, LLC, Bay Harbour Beach Resort, Montgagge Resort, LLC, Bay Resorts, LLC, and Paradise landing, LLC. This project is not currently operating and is at a standstill.

In 2008 the ownership in this property went from 100% ownership by Eric Trust to an ownership of 50% to Lynita Trust and 50% to Eric Trust.

At issue, Emerald Bay owes Nelson & Associates \$45,500.

The amount due from Emerald Bay, LLC were funds advanced to pay for expenses in the assembling process. Emerald Bay does not have funds and therefore doubtful to repay Nelson & Associates back.

Note 9b - Bal Harbour, LLC has 4.779056 acres titled in its name.

Note 9c - Bay Harbour Beach Resort, LLC has 2.799656 acres titled in its name.

Note 9d - Bay Resorts, LLC currently does not have any ownership in land. This entity operated the RV Resort, had its own Bank Account until the law suit was filed. The Bank Account was closed and the rental income from Silver Slipper was the deposited into Banone.

Note 9e - Lynita Trust has 41.0152290 titled in its name. This property is not being used.

Note 9f - RV Park is owned by Lynita's Trust. The property designated for its use is 20.6856080 acres. The Silver Slipper is leasing this property and pays an amount of approximately \$4,000.00 per month.

Since there are different owners and the property is being used differently, it is recommended either an appraisal for the separate parcels be made or that the entire 200+ acres be appraised altogether, then the value could be allocated to the individual owners. In either case, the appraisal should be directed by an independent party.

Note 10 - Dynasty

Dynasty is an entity that is included in the Eric Nelson Trust consisting of various types of investments as described below.

Note 10a - Silver Slipper (Owned by Dynasty)

Dynasty has a 34% interest in the Silver Slipper Casino. If options were to be exercised, then the interest could increase to 43%.

There is currently a dispute between Eric Nelson and the other partners of the Silver Slipper Casino. In the operating agreement of Silver Slipper is a buyout provision. The other partners are attempting to exercise that provision and have offered \$1,586,000 and are pushing Eric Nelson to accept.

The other partners have filed a law suit in Los Angeles to force Eric Nelson to accept their offer. Eric Nelson is unwilling to accept the current position of the other partners. In order to oppose the other partners, Eric Nelson did put Dynasty into Bankruptcy, filing in Mississippi.

The other partners filed a motion to have the Bankruptcy dismissed as a bad faith filing. It is understood that hearing has taken place and the Bankruptcy has been dismissed. Therefore it is back to defending the law suit filed in Los Angeles.

There are other issues affecting the ownership interest in the Silver Slipper, one of which being that Lynita is not currently licensed by the Mississippi Gaming Authorities and therefore not qualified to own an interest in a gaming property.

It is recommended that a Business Valuation be directed by an independent third party to determine the value of the Silver Slipper and also to determine the value of the percent interest owned by Dynasty.

Note 10b - Dynasty owns 91.092758 acres. There has been a lien of \$1,000,000 placed against the property by BBJ, a lender to Silver Slipper.

Note 10c - This land consisting of 30.1382120 acres was deeded to Frank Soris Family to collateralize the \$1,300,000 owed from the 2002 transaction between Soris and Lynita Trust. (See Note 17 for the Soris transactions). It has been stated that this acreage has been quitclaimed back to Dynasty when the property in Banone was substituted as collateral for the \$1,300,000 note to Soris. The quitclaim has not been recorded.

Eric Nelson stated the value of the property, both what Dynasty owns and the Frank Soris property totaling 121.230970 acres is valued at \$1,250,000.

It is recommended that an appraisal be made of the property owned by Dynasty and the property currently owned by Frank Soris. Such an appraisal should be conducted as recommended in Note 9.

Note 11 - Grotta, LLC

Lynita's Trust owns a 1/6th interest or 16.67% with Eric Nelson's relatives owning the remaining 5/6th interest. Grotta, LLC controls various investments as described below:

Note 11a - Dynasty Profit Sharing Agreement

Eric Nelson states that this Company has an interest in a Profit Sharing agreement whereby Grotta, LLC is to receive 10% of Dynasty's Profits. (No determination has been made to ascertain if that is an investment and/or operating profits). There have been no profits to-date; therefore no payments from Dynasty have ever been made to Grotta, LLC.

Note 11b - Mississippi Land

The Grotta, LLC owns 25.377388 acres of the 200 acres described in Note 9 as MS Bay 200 acres. Eric states the value of that land is approximately \$100,000.

Eric values Lynita's trust ownership in this land at \$16,667. Lynita does not have a separate value for the property owned by Grotta, LLC.

Note 11c - Grotta Financial Partnership

The Grotta Financial Partnership owned land on Flamingo Road in Las Vegas, Nevada, which was condemned for the purpose of using the land to construct the "Beltway". The condemnation was used as an IRS Section 1033 exchange. Cash amounting to \$3,025,000 which was in the Grotta Financial Partnership, was transferred to the Eric Nelson Trust for future investing purposes in order to comply with the IRS Section 1033 exchange provisions. Therefore, the cash on the books of Grotta Financial Partnership was replaced with a Note Receivable to the Eric Nelson Trust. The investments made by Eric Nelson through the Eric Nelson Trust would at this time be included in the current asset schedule.

If the Eric Nelson Trust were to pay Grotta Financial Partnership the amount of \$3,025,000 or any part thereof, it would then create the situation that the amount would become taxable because the transaction would be treated as a loan which does not qualify under the IRS Section 1033 exchange rules.

At issue, there is a Note Receivable in the amount of \$3,025,000 booked on Grotta Financial Partnership financial statements from the Eric Nelson Trust. The transaction contains various issues relating to taxable consequences if paid back.

Note 12 - Hideaway Casino

This was an Investment between Eric Nelson and Steve Bieri. Eric Nelson has not spent community funds in his effort to develop a casino. The investment was not viable and thus failed. Eric states that there may be a law suit against Eric Nelson to the extent of the loss suffered by Mr. Bieri amounting to approximately \$3,000,000.

Note 13 - Banone, LLC (Nevada)

These properties are located in Nevada and titled in the name of Banone, LLC, which is in Eric Nelson Trust. The value indicated on the schedule is the purchase price of the property including repairs thereto. In discussion with Lynita, she appeared to have a willingness to accept those values, with the exception of 4412 Baxter as described below:

Note 13a - 4412 Baxter - According to Lynita, the amount booked for 4412 Baxter is \$20,000 greater than it should be. Lynita claims the proper amount should be \$62,522; instead of \$82,522.

Note 14 - Banone, LLC (Arizona)

These properties are located in Arizona and titled in the name of Banone, LLC which is in Eric Nelson Trust. The value indicated on the schedule is the purchase price of the property including repairs thereto. In discussion with Lynita, she appeared to have a willingness to accept those values.

Note 15 - Banone AZ, LLC

There is one property in Banone AZ, LLC that is income producing. During 2010, 8 additional homes were purchased at a cost of \$251,000; at which time we have not received indication that they are income producing.

Note 16 - Notes Receivable

To date, we have not received copies of the documents relating to the various notes receivable. Eric represented that the notes were secured by property but we have not examined appropriate evidence to determine the validity of the collateral.

a. This note is in default. Roger Nelson is owner of RD Builders. Roger Nelson is not a relative.

b. Amada & Chris Stromberg are the daughter and son-in-law of Eric and Lynita Nelson.

c. JB Ramos Trust is related to an employee of Eric Nelson

d. Niece - At issue by Lynita, Purchased by Banone on 03/02/2010 and questions the down payment of \$20,000 and if that money came from Community Funds.

- e. Chad Ramos is a Nephew to Eric
- f. Eric T. Nelson is a Nephew to Eric
- g. Have received deed in lieu of foreclosure.

Note 17 - Soris Transaction

History

This first transaction commenced in 2002 when Frank Soris made an investment as mortgage holder in the Wyoming operations. Mr. Soris loaned \$2,300,000 to the Lynita Trust on a building that was to be used for Off Track Betting to support a Race Track owned at that time by the Nelson's. The operations in the building were outlawed and the operations had to cease.

The \$2,300,000 was an amount needed by Frank Soris to complete a 1031 exchange (Tax Code provision to defer taxes). The amount actually loaned is \$1,300,000 and a note payable to Lynita's Trust for \$1,000,000. Sometime between the date of the 1031 and 2010, the promissory note was transferred to the Eric L Nelson Nevada Trust. We have not received indication as to why the note was transferred out of Lynita's Trust or if any consideration was given in return for the transfer. Information has been received that interest of \$75,000 was received in 2009 relating to the \$1,000,000 note which is being serviced by U. S. Loan Servicing.

When the Off Track Betting business failed, Mr. Soris insisted on collateral to replace the building in Evanston, Wyoming. Eric Nelson then collateralized the note with property in Phoenix, Arizona. Upon failure of that collateral, Eric Nelson then collateralized the note with property in Mississippi. Since there was ongoing litigation in Mississippi, Mr. Soris again sought collateral for the amount due him. It was then, in early 2010, when Eric made a decision to take the better of the Banone properties in Arizona and transfer those rental properties to the Frank Soris Family Trust.

It was understood from Eric Nelson that there was a deal with Frank Soris that if the properties were to sell in excess of the \$1,300,000, Eric would be entitled to monies from such sales. In documents received there was a written agreement that upon the transfer of the Banone properties, the \$1,000,000.00 note made payable to the Eric L. Nelson Nevada Trust is cancelled and considered satisfied. We have not received further documentation as to why the note was cancelled or satisfied. We have yet to determine which position is current. Of course, if the properties sell for less than \$1,300,000, the concerns of the \$1,000,000 will be dispelled.

Current Situation

The cost of the current twenty properties transferred to Soris has a book value of \$737,018.67. Therefore the aggregate amount of collateral against a debt of \$1,300,000 leaves a contingent liability of \$562,981.33. In addition, Eric has pledged to use 8 lots from his investment in AZ-29 Gateway Lots, but actual lots are to be determined at a later date according to the February 19, 2010 agreement between Soris and Eric Nelson.

The contingent asset may or may not have value if the properties sell for more than \$1,300,000, depending on the outcome of the agreement to share or if the note has been cancelled.

The interest on the \$1,300,000 note is being paid by the rents collected on the properties.

At issue, Lynita believes Eric gave Soris the best properties from Banone. Eric agrees with that statement.

Note 18 - Nikki Cvintavich Note Receivable

This is a loan made by Eric Nelson to Nikki Cvintavich, an employee in Mississippi. This loan has no direct connection to the Mississippi investments. We have not received documentation evidencing if this note is collateralized by any type of property.

Note 19 - Family Loan (Chad Ramos)

This was money given to start several businesses. The businesses have all failed. This money was given to him prior to 01/01/2009 and should be considered as community participation and be eliminated as an issue.

It is recommended that this item be eliminated from any settlement.

Note 20 - Family Loan (Jesse Harber)

We have not received documentation relating to the terms and conditions of this receivable. As a result, we cannot determine a value of the outstanding amounts due or if there was or is any collateral against the receivable.

Note 21 - Autos/Vehicles

The values given by each party was from Kelly Blue Book. It has not been determined what was used as mileage, accessories, or wholesale or retail suggested prices.

Note 21a – Both parties have indicated the presence of several ATVs and snowmobiles.

It is recommended a determination by an independent third party at a selected date determined by the Court.

Note 22 - Tax Situation

It has been understood that the 2006 taxes were filed jointly. Thereafter the Federal Income Tax Returns have been filed as Married filing Separate. It has been stated that a 2006 refund in the approximate amount of \$110,125 is currently held by Eric Nelson's attorney in a separate bank account.

Note 23 – Bank Accounts

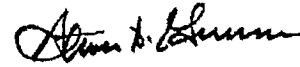
It is recommended that all of the Banking Accounts be brought up to a date determined by the Court and that all transactions be reviewed for subsequent transactions.

Note 24 - AZ-31 Gateway Lots

The property in this account consists of the following:

1. 29 parcels that are titled to the Lynita Trust.
2. 8 parcels where the Lynita Trust has a 25% interest, Harbor Investments has a 25% interest, Louis Walter has a 25% interest, and Gary & Margaret Zahren have a 25% interest.
3. 2 lots that were in foreclosure. As of the date of this report, we have not received documentation relating to the disposition of the foreclosure proceedings.
4. 7 lots from Joan Ramos. Joan Ramos filed bankruptcy and all lots were to be deeded back to Lynita's Trust. As of the date of this report, all seven lots are currently in the name of "Ramos Joan B Trustee".

Exhibit “J”



CLERK OF THE COURT

1 MOT
2 THE DICKERSON LAW GROUP
3 ROBERT P. DICKERSON, ESQ.
4 Nevada Bar No. 000945
5 JOSEF M. KARACSONYI, ESQ.
6 Nevada Bar No. 010634
7 1745 Village Center Circle
8 Las Vegas, Nevada 89134
9 Telephone: (702) 388-8600
10 Facsimile: (702) 388-0210
11 Email: info@dickersonlawgroup.com
12 Attorneys for LYNITA SUE NELSON

8 EIGHTH JUDICIAL DISTRICT COURT
9 FAMILY DIVISION

10 CLARK COUNTY, NEVADA

11 ERIC L. NELSON,
12 Plaintiff/Counterdefendant,
13 v.

14 LYNITA SUE NELSON,
15 Defendant/Counterclaimant.

CASE NO. D-09-411537-D
DEPT NO. "O"

16 ERIC L. NELSON NEVADA TRUST
17 dated May 30, 2001, and LSN NEVADA
18 TRUST dated May 30, 2001,

19 Necessary Parties (joined in this
20 action pursuant to Stipulation and
21 Order entered on August 9, 2011)

22 LANA MARTIN, as Distribution Trustee of
23 the ERIC L. NELSON NEVADA TRUST
24 dated May 30, 2001,

25 Necessary Party (joined in this action
26 pursuant to Stipulation and Order
27 entered on August 9, 2011)/ Purported
28 Counterclaimant and Crossclaimant,

26 v.

1 LYNITA SUE NELSON and ERIC
2 NELSON,

3 Purported Cross-Defendant and
4 Counterdefendant,

5 LYNITA SUE NELSON,

6 Counterclaimant, Cross-Claimant,
7 and/or Third Party Plaintiff,

8 v.

9 ERIC L. NELSON, individually and as the
10 Investment Trustee of the ERIC L. NELSON
11 NEVADA TRUST dated May 30, 2001; the
12 ERIC L. NELSON NEVADA TRUST dated
13 May 30, 2001; LANA MARTIN, individually,
14 and as the current and/or former Distribution
15 Trustee of the ERIC L. NELSON NEVADA
16 TRUST dated May 30, 2001, and as the
17 former Distribution Trustee of the LSN
18 NEVADA TRUST dated May 30, 2001);

19 Counterdefendant, and/or
20 Cross-Defendants, and/or
21 Third Party Defendants.

22 NOTICE: YOU ARE REQUIRED TO FILE A WRITTEN RESPONSE TO THIS MOTION WITH
23 THE CLERK OF THE COURT AND TO PROVIDE THE UNDERSIGNED WITH A COPY OF
24 YOUR RESPONSE WITHIN TEN (10) DAYS OF YOUR RECEIPT OF THIS MOTION. FAILURE
25 TO FILE A WRITTEN RESPONSE WITH THE CLERK OF THE COURT WITHIN TEN (10)
26 DAYS OF YOUR RECEIPT OF THIS MOTION MAY RESULT IN THE REQUESTED RELIEF
27 BEING GRANTED BY THE COURT WITHOUT HEARING PRIOR TO THE SCHEDULED
28 HEARING DATE.

29 MOTION FOR PAYMENT OF FUNDS BELONGING TO DEFENDANT
30 PURSUANT TO COURT'S DECREE TO ENSURE RECEIPT OF SAME. AND
31 FOR IMMEDIATE PAYMENT OF COURT APPOINTED EXPERT

32 COMES NOW Defendant, LYNITA SUE NELSON ("Lynita"), by and through
33 her attorneys, ROBERT P. DICKERSON, ESQ., and JOSEF M. KARACSONYI, ESQ.,
34 of THE DICKERSON LAW GROUP, and respectfully moves this Honorable Court for
35 the following relief:

36 1) An Order directing that \$1,032,742.00 and \$35,258.00 be paid directly to
37 Lynita and Court appointed expert, Larry Bertsch ("Mr. Bertsch"), from the

1 \$1,568,000.00 being held by David Stephens, Esq. ("Mr. Stephens"), in accordance with
2 this Court's Decree of Divorce entered June 3, 2013;

3 2) In the alternative, if the \$1,568,000.00 has already been transferred by Mr.
4 Stephens to Lana Martin ("Ms. Martin") and the ELN Trust, and/or Plaintiff, Eric
5 Nelson ("Eric"), for an Order directing Ms. Martin and Eric to immediately transfer the
6 sum of \$1,032,742.00 to Lynita and \$35,258.00 to Mr. Bertsch; and

7 3) Any other orders that this Court deems necessary and appropriate.

8 This Motion is made and based upon the records, files and pleadings on file
9 herein, including the Court's June 3, 2013 Decree of Divorce, the Points and Authorities
10 submitted herewith, Lynita's affidavit attached hereto, and such other and further
11 evidence as may be adduced at the hearing of this matter.

12 DATED this 5th day of June, 2013.

13 THE DICKERSON LAW GROUP

14
15 By Robert P. Dickerson
16 ROBERT P. DICKERSON, ESQ.
17 Nevada Bar No. 000945
18 JOSEF M. KARACSONYI, ESQ.
19 Nevada Bar No. 010634
20 1745 Village Center Circle
21 Las Vegas, Nevada 89134
22 Attorneys for LYNITA SUE NELSON
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DATED this 5th day of June, 2013.

By Robert P. Dickerson
 ROBERT P. DICKERSON, ESQ.
 Nevada Bar No. 000945
 JOSEF M. KARACSONYI, ESQ.
 Nevada Bar No. 010634
 1745 Village Center Circle
 Las Vegas, Nevada 89134
 Attorneys for LYNITA SUE NELSON

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:

1 possibly ever receiving her lump sum alimony, child support arrears, and attorneys' fees.²
2 The Court's extensive findings detail why such fears are justified, and how such actions
3 are more than a mere possibility. This is exactly the result the Court was attempting to
4 avoid by awarding Lynita lump sum alimony, child support arrears, and attorneys' fees
5 from the \$1,568,000.00 previously frozen by the Court.

6 As the Court is aware, Lynita received very little of the parties' community
7 income, and no child support or maintenance, during the pendency of these proceedings.
8 If Lynita does not receive the \$1,032,742.00 due to her she will suffer irreparable harm,
9 as she has several outstanding obligations and has an immediate need for such funds.
10 Currently, Lynita has approximately \$19,000.00 in her bank accounts, but has
11 outstanding credit card balances of \$53,674.00, current household bills of \$3,130.00,
12 and an outstanding balance for attorneys' fees and costs of over \$140,000.00. If Lynita
13 does not receive the monies awarded to her from the \$1,568,000.00 previously enjoined
14 in Mr. Stephens' trust account she will be unable to support herself and will suffer
15 irreparable financial harm. Lynita previously made several requests for temporary
16 support and maintenance, most recently in her Motion for Temporary Support and to
17 Establish Child Support Orders ("Motion for Support"), filed January 28, 2013 (over
18 four (4) months ago). The hearing on Lynita's Motion for Support was continued and
19 eventually vacated by the Court because the Court intended for the Decree to resolve
20 Lynita's requests, and provide her with any support she required. If the Court does not
21 direct Lynita's monies to be paid directly to her immediately, it is likely that Eric and
22 the ELN Trust will attempt to withhold or dissipate same, thereby attempting to defeat
23 the Court's Orders and intent and further delaying Lynita's receipt of desperately needed
24 monies.

25 ...

26 ...

27
28 ² For the same reasons, it is also feared that Mr. Bertsch will not receive his outstanding balance from the
\$1,568,000.00 previously frozen by the Court.

1 II. LEGAL ANALYSIS

2 Nevada Revised Statutes, Section 125.240 (2013), provides:

3 NRS 125.240 Enforcement of judgment and orders: Remedies. The final
4 judgment and any order made before or after judgment may be
5 enforced by the court by such order as it deems necessary. A receiver
6 may be appointed, security may be required, execution may issue, real or
7 personal property of either spouse may be sold as under execution in other
8 cases, and disobedience of any order may be punished as a contempt.

9 Furthermore, it is well settled that the Court has inherent authority to protect the
10 dignity and decency of its proceedings, and to enforce its decrees. *See, e.g., Halverson v.*
11 *Hardcastle*, 123 Nev. 29, 163 P.3d 428, 440 (2007).

12 It is necessary that the Court issue an Order requiring Mr. Stephens' to
13 immediately pay to Lynita the \$1,032,742.00 she is entitled to from the approximately
14 \$1,568,000.00 being held in Mr. Stephens' trust account, and to pay to Mr. Bertsch the
15 sum of \$35,258.00. In the event Eric and/or the ELN Trust have already received the
16 \$1,568,000.00 in Mr. Stephens' trust account, the Court should issue an Order
17 requiring the ELN Trust and/or Eric to pay Lynita her \$1,032,742.00, and Mr. Bertsch
18 his \$32,258.00, from said funds immediately. Such Orders are necessary to enforce the
19 Court's Decree, and prevent the dissipation of the funds Lynita and Mr. Bertsch are
20 entitled to receive. Without such an Order, the Court's concerns that Lynita may never
21 actually receive her lump sum alimony, child support arrears, and attorneys' fees, or will
22 be delayed in her receipt of same, are likely to be realized.

23 Eric and the ELN Trust have no valid objection to the requests for relief made
24 herein. Lynita is simply requesting receipt of the monies awarded to her in the Court's
25 Decree, and that Mr. Bertsch receive the monies ordered to be paid to him in the
26 Decree, to which Eric and the ELN Trust have no right or interest. If Eric or the ELN
27 Trust oppose these requests it will only make it more clear why such Orders are
28 necessary, and demonstrate further the validity of Lynita's and the Court's concerns that
29 Eric and/or the ELN Trust will continue to disobey and attempt to defeat the Court's
30 Orders.

1 III. CONCLUSION

2 For the reasons set forth above in this Motion, Lynita respectfully requests the
3 following relief:

4 1) An Order directing that \$1,032,742.00 and \$35,258.00 be paid directly to
5 Lynita and Mr. Bertsch from the \$1,568,000.00 being held by Mr. Stephens, in
6 accordance with this Court's Decree of Divorce entered June 3, 2013;

7 2) In the alternative, if the \$1,568,000.00 has already been transferred by Mr.
8 Stephens to Ms. Martin and the ELN Trust, and/or Eric, for an Order directing Ms.
9 Martin and Eric to immediately transfer the sum of \$1,032,742.00 to Lynita and
10 \$35,258.00 to Mr. Bertsch; and

11 3) Any other orders that this Court deems necessary and appropriate.

12 Dated this 5th day of June, 2013.

13 Respectfully Submitted by:

14 THE DICKERSON LAW GROUP

15
16 By Robert P. Dickerson
17 ROBERT P. DICKERSON, ESQ.
18 Nevada Bar No. 000945
19 JOSEF M. KARACSONYI, ESQ.
20 Nevada Bar No. 010634
21 1745 Village Center Circle
22 Las Vegas, Nevada 89134
23 Attorneys for LYNITA SUE NELSON
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AFFIDAVIT OF LYNITA SUE NELSON

STATE OF NEVADA }

COUNTY OF CLARK }

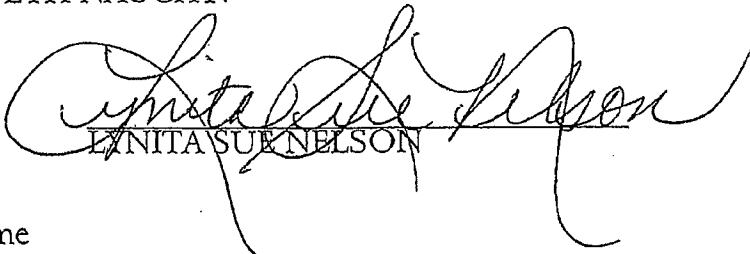
I, LYNITA SUE NELSON, declare under penalty of perjury under the law of the State of Nevada that the following statement is true and correct:

1. I am over the age of 18 years. I am the Defendant in this action. I have personal knowledge of the facts contained herein, and I am competent to testify thereto.

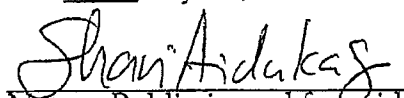
2. I am making this affidavit in support of my MOTION FOR PAYMENT OF FUNDS BELONGING TO DEFENDANT PURSUANT TO COURT'S DECREE TO ENSURE RECEIPT OF SAME, AND FOR IMMEDIATE PAYMENT OF COURT APPOINTED EXPERT ("Motion").

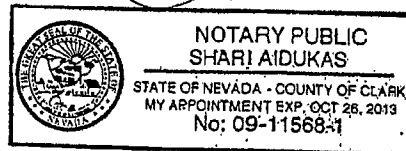
3. I have read the Motion prepared by my counsel and swear, to the best of my knowledge, that the facts as set forth therein are true and accurate, save and except any fact stated upon information and belief, and as to such facts I believe them to be true. I hereby reaffirm said facts as if set forth fully herein to the extent that they are not recited herein. If called upon by this Court, I will testify as to my personal knowledge of the truth and accuracy of the statements contained therein.

FURTHER AFFLIANT SAYETH NAUGHT.


LYNITA SUE NELSON

Subscribed and sworn to before me
this 5th day of June, 2013.


Notary Public in and for said
County and State.



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4
5 DISTRICT COURT
6 CLARK COUNTY, NEVADA
7

8 ERIC L. NELSON

9 Plaintiff(s),

CASE NO. D411537

10 -VS-

DEPT. NO. O

11
12 LYNITA SUE NELSON

13 Defendant(s).

FAMILY COURT
MOTION/OPPOSITION FEE
INFORMATION SHEET
(NRS 19.0312)

14 Party Filing Motion/Opposition: ☐ Plaintiff/Petitioner ☒ Defendant/Respondent

15 MOTION FOR OPPOSITION TO Motion for Payment of Funds Belonging to
16 Defendant Pursuant to Court's Decree to Ensure Receipt of Same, and for Immediate
17 Payment of Court Appointed Expert

18 **Motions and**
19 **Oppositions to Motions**
20 **filed after entry of a final**
21 **order pursuant to NRS**
22 **125, 125B or 125C are**
23 **subject to the Re-open**
24 **filing fee of \$25.00,**
25 **unless specifically**
26 **excluded. (NRS 19.0312)**

24 **NOTICE:**

25 *If it is determined that a motion or*
26 *opposition is filed without payment*
27 *of the appropriate fee, the matter*
28 *may be taken off the Court's*
calendar or may remain undecided
until payment is made.

Mark correct answer with an "X."

1. No final Decree or Custody Order has been entered. ☐ YES ☒ NO
2. This document is filed solely to adjust the amount of support for a child. No other request is made.
☐ YES ☒ NO
3. This motion is made for reconsideration or a new trial and is filed within 10 days of the Judge's Order
If YES, provide file date of Order: _____
☐ YES ☒ NO

If you answered YES to any of the questions above,
you are not subject to the \$25 fee.

Motion/Opposition ☒ IS ☐ IS NOT subject to \$25 filing fee

Dated this 5th of June, 2002013

Shari Aidunkas
Printed Name of Preparer

Shari Aidunkas
Signature of Preparer

Exhibit “I”

1 **NOTC**

Larry L. Bertsch, CPA, CFF

2 Nicholas S Miller, CFE, CSAR

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5 *Forensic Accountants*

6
7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 ERIC L. NELSON,

10 Plaintiff,

11 v.

12 LYNITA SUE NELSON,

13 Defendant.


Case No. D-09-411537-D
Dept. O

14
15 **NOTICE OF FILING INCOME AND EXPENSE REPORTS FOR LYNITA NELSON FOR**
16 **THE PERIOD OF JANUARY 1, 2011 THROUGH MARCH 31, 2012**

17 LARRY L. BERTSCH and NICHOLAS MILLER, FORENSIC ACCOUNTANTS hereby file
18 the Income and Expense Report for Lynita Nelson for the Period of January 1, 2011 Through March
19 31, 2012. Said report is attached hereto as **Exhibit 1**.

20 Dated this 1st day of May, 2012.

21 **LARRY L BERTSCH, CPA & ASSOCIATES**

22
23 
24 Larry L. Bertsch, CPA, CFF
25 Nicholas S Miller, CFE, CSAR
26 265 East Warm Springs Rd., Suite 104
27 Las Vegas, Nevada 89119

28 *Forensic Accountants*

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An employee of Larry L. Bertsch, CPA & Associates

EXHIBIT 1

Source and Application of Funds
For
Lynita Nelson

From January 1, 2011 through March 31, 2012

District Court Family Division

Clark County, Nevada

Case Number: D-09-411537-D

Department O

Report Date: May 1, 2012

Prepared by:

Larry L. Bertsch, CPA, CFF

&

Nicholas Miller, CFE, CSAR, MBA

Lynita Nelson

EXHIBIT A indicates the annual Sources and Applications of case by Lynita Nelson from 2009 through 2012. Amounts in 2012 are subject to change as Forensic Accountants are missing various statements and documents.

EXHIBIT B indicates the monthly Sources and Applications of case by Lynita Nelson for 2011.

EXHIBIT C indicates the monthly Sources and Applications of case by Lynita Nelson for the first three months of 2012. Totals are subject to change as Forensic Accountants are missing various statements and documents.

Forensic Accountants reserve the right to update this report and accompanying schedules upon the production of additional documentation and/or information.

EXHIBIT A

	Jan - Dec 09	Jan - Dec 10	Jan - Dec 11	Jan - Dec 12	TOTAL
Income					
Dividend Income	121.35	51.81	234.68	34.59	442.43
Income Tax Refund	-	-	30,741.05	-	30,741.05
Sale of Investment	317,604.65	876,000.00	484,930.00	150,000.00	1,828,534.65
Unknown Deposit	219,210.56	2,000.00	10,249.95	-	231,460.51
Total Income	536,936.56	878,051.81	526,155.68	150,034.59	2,091,178.64
	536,936.56	878,051.81	526,155.68	150,034.59	2,091,178.64
Expense					
Bank of America	3,172.60	370.98	448.43	-	3,992.01
Bank Service Charge	586.40	930.59	2,304.73	88.00	3,909.72
Cash Withdrawal	185,717.45	39,218.21	5,412.50	1,406.00	231,754.16
Children Payments					
Amanda	-	-	-	115.00	115.00
Aubrey Nelson	328.36	-	-	-	328.36
Carli Nelson	536.00	13,213.72	5,854.00	879.00	20,482.72
Erica Nelson	20.00	94.97	830.00	-	944.97
Garett Nelson	542.10	1,598.40	2,438.71	-	4,579.21
General Items	1,105.59	5,928.59	18,760.11	6,208.38	32,002.67
Total Children Payments	2,532.05	20,835.68	27,882.82	7,202.38	58,452.93
Community Assets					
Taxes	1,380.00	1,549.80	5,127.44	-	8,057.24
Total Community Assets	1,380.00	1,549.80	5,127.44	-	8,057.24
FIA Card Services	3,259.68	1,519.01	-	-	4,778.69
Housing Expenses					
Alarm	377.55	445.45	479.40	119.85	1,422.25
Improvements	14,757.34	33,990.90	1,785.36	-	50,533.60
Lawn Service	8,237.42	22,870.99	16,169.74	1,679.14	48,957.29
Maintenance	3,207.47	14,759.63	25,080.74	2,204.59	45,252.43
Other	5,954.32	4,257.41	743.58	1,084.81	12,040.12
Pest Control	520.00	480.00	520.00	120.00	1,640.00
Pool	3,542.11	3,187.43	1,636.82	758.68	9,125.04
Taxes	13,863.16	5,586.40	5,757.25	-	25,206.81
Utilities	16,290.08	15,746.30	19,008.78	3,724.10	54,769.26
Total Housing Expenses	66,749.45	101,324.51	71,181.67	9,691.17	248,946.80
Interest Expense	929.19	273.08	1,706.54	-	2,908.81
Medical	9,235.82	22,516.25	10,779.12	5,310.94	47,842.13
Payments to Individuals					
Allen Weiss	3,910.00	-	-	-	3,910.00
Total Payments to Individuals	3,910.00	-	-	-	3,910.00

Total Personal Expenses	110,940.47	217,840.22	171,186.55	42,834.60	542,801.84
Professionals					
Anthem Forensics	7,941.00	59,665.50	3,250.50	842.50	71,699.50
Boyce and Gianni LLP	-	1,800.00	700.00	-	2,500.00
Bradshaw Smith & Co (CPA)	-	1,980.00	1,875.00	-	3,855.00
DeBecker Investigations, Inc.	-	-	3,700.00	-	3,700.00
Dukes Dukes Keating	-	5,000.00	18,515.63	-	23,515.63
Jeffrey Burr & Associates	948.00	-	2,062.50	-	3,010.50
Ladner Appraisal Group	-	2,600.00	-	-	2,600.00
Margaret Johanson (Counselor)	1,870.00	2,750.00	2,370.00	1,270.00	8,260.00
Melissa Attanasio	-	57,442.50	27,637.50	6,650.00	91,730.00
Reed Van Boerum	-	14,040.00	-	-	14,040.00
Robert Gaston	-	4,600.00	-	-	4,600.00
Rogers & Haldeman	1,500.00	1,225.00	-	-	2,725.00
The Dickerson Law Group	67,174.20	254,722.09	193,432.40	79,370.90	594,699.59
Total Professionals	79,433.20	405,825.09	253,543.53	88,133.40	826,935.22
Total Expense	467,846.31	812,203.42	549,573.33	154,666.49	1,984,289.55

EXHIBIT B

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Total
Income													
Dividend Income	21.91	15.50	16.19	16.78	19.46	19.34	21.70	25.19	22.43	21.71	21.24	13.23	234.68
Income Tax Refund	-	-	-	-	-	-	30,741.05	-	-	-	-	-	30,741.05
Sale of Investment	50,000.00	-	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	25,000.00	25,000.00	34,930.00	50,000.00	50,000.00	484,930.00
Unknown Deposit	-	-	-	-	-	-	249.95	5,000.00	-	-	-	5,000.00	10,249.95
Total Income	50,021.91	15.50	50,016.19	50,016.78	50,019.46	50,019.34	81,012.70	30,025.19	25,022.43	34,951.71	50,021.24	55,013.23	526,153.68
Expense	50,021.91	15.50	50,016.19	50,016.78	50,019.46	50,019.34	81,012.70	30,025.19	25,022.43	34,951.71	50,021.24	55,013.23	526,153.68
Bank of America	364.33	-	-	-	-	15.02	69.08	-	-	-	-	-	448.43
Bank Service Charge	30.00	83.00	5.00	15.00	95.00	64.00	64.00	1,692.73	83.00	70.00	103.00	-	2,304.73
Cash Withdrawal	-	-	1,000.00	500.00	403.00	-	-	-	500.00	1,000.00	500.00	1,509.50	5,412.50
Children Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Ananda	-	-	525.00	4,370.00	500.00	-	-	-	109.00	-	-	-	5,854.00
Carli Nelson	600.00	-	-	-	-	-	-	230.00	-	-	-	-	830.00
Erica Nelson	300.00	-	174.00	768.20	425.92	-	207.65	104.60	-	-	-	458.34	2,438.71
Garrett Nelson	944.13	884.76	1,559.96	748.90	655.35	614.60	937.07	1,057.76	2,395.20	1,045.83	2,931.07	4,983.48	18,760.11
General Items	1,844.13	1,409.76	6,103.96	2,017.10	1,081.27	904.60	1,144.72	1,452.36	2,504.20	1,045.83	2,931.07	5,443.82	27,882.82
Total Children Payments													
Community Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	3,349.42	-	-	-	-	9.76	-	-	1,768.26	-	-	-	5,127.44
Total Community Assets	3,349.42	-	-	-	-	9.76	-	-	1,768.26	-	-	-	5,127.44
Housing Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Alarm	39.95	39.95	39.95	39.95	39.95	39.95	39.95	39.95	39.95	39.95	39.95	39.95	479.40
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-
Lawn Service	-	602.00	297.00	859.70	593.24	7,939.32	52.19	-	320.10	1,034.98	120.00	480.00	17,853.36
Maintenance	575.69	1,214.74	310.00	208.14	330.62	939.00	376.86	2,003.05	2,750.87	3,283.08	6,146.73	6,941.96	25,080.74
Other	-	372.43	-	220.00	73.51	-	-	33.39	44.25	-	-	-	743.38
Pest Control	80.00	40.00	40.00	-	80.00	40.00	-	80.00	40.00	-	80.00	40.00	520.00
Pool	365.12	-	120.00	240.00	-	491.70	-	240.00	-	-	180.00	-	1,636.82
Taxes	-	-	-	-	-	-	5,757.25	-	-	-	-	-	5,757.25
Utilities	1,944.40	1,178.41	915.28	731.93	1,290.75	1,256.95	2,010.80	2,073.81	2,057.88	2,239.60	1,520.98	1,787.99	19,008.78
Total Housing Expenses	3,005.16	3,447.53	1,722.23	2,299.72	2,408.07	10,726.92	8,237.05	4,470.20	5,253.05	7,782.97	12,202.68	9,626.09	71,181.67
Interest Expense	-	7.41	-	1.77	8.37	701.31	363.58	23.48	545.17	19.94	33.71	1.80	1,706.54
Medical	2,047.03	223.95	1,848.15	560.51	320.85	1,835.17	1,282.43	313.30	544.59	549.51	550.42	703.21	10,779.12
Total Personal Expenses	13,474.39	11,942.79	11,639.78	15,011.73	14,965.41	13,060.32	13,706.91	18,983.66	10,743.20	8,989.19	19,789.23	18,879.94	171,186.55
Professionals	-	-	-	-	-	-	-	-	-	-	-	-	-
Anthem Forensics	-	-	-	-	1,756.50	-	1,494.00	-	-	-	-	-	3,250.50
Boyce and Gianni LLP	200.00	-	-	-	-	-	-	-	-	500.00	-	-	700.00
Bradshaw Smith & Co (CPA)	575.00	-	-	-	650.00	-	-	-	650.00	-	-	-	1,875.00
DeBecker Investigations, Inc.	-	2,250.00	-	-	-	-	-	1,450.00	-	-	-	-	3,700.00
Dukes Dukes Keating	-	-	-	-	8,547.13	5,350.00	-	3,172.50	1,446.00	-	-	-	18,515.63
Jeffrey Burr & Associates	-	-	-	-	-	-	-	2,062.50	-	-	-	-	2,062.50
Margaret Johanson (Counselor)	220.00	-	330.00	220.00	-	170.00	220.00	-	-	-	660.00	330.00	2,370.00
Melissa Attanasio	8,997.50	1,270.00	1,440.00	-	6,242.50	-	4,192.50	-	-	1,965.00	2,000.00	1,530.00	27,637.50
The Dickerson Law Group	25,868.19	16,850.44	19,132.46	7,520.26	18,228.88	3,397.60	3,815.78	19,503.18	19,115.61	-	25,000.00	35,000.00	193,432.40
Total Professionals	35,860.69	20,370.44	20,902.46	7,740.26	35,425.01	8,917.60	9,722.28	26,408.18	21,211.61	2,465.00	27,660.00	36,860.00	253,543.33
Total Expense	64,975.15	32,484.88	43,221.58	28,146.09	54,706.98	36,234.70	34,590.05	53,343.91	43,153.08	21,922.44	63,770.11	73,024.36	549,573.33

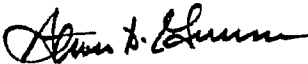
EXHIBIT C

[illegible]

Exhibit “H”

1 BREF
2 THE DICKERSON LAW GROUP
3 ROBERT P. DICKERSON, ESQ.
4 Nevada Bar No. 000945
5 JOSEF M. KARACSONYI, ESQ.
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14 Attorneys for Defendant, LYNITA SUE NELSON

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CLERK OF THE COURT

DISTRICT COURT, FAMILY DIVISION
CLARK COUNTY, NEVADA


11 ERIC L. NELSON,)
12 Plaintiff/Counterdefendant,)
13 v.)
14 LYNITA SUE NELSON,) CASE NO. D-09-411537-D
15 Defendant/Counterclaimant.) DEPT NO. "O"
16 AND RELATED ACTIONS)

DEFENDANT'S POST-TRIAL MEMORANDUM ON DIVORCE ISSUES

18 COMES NOW, DEFENDANT, LYNITA SUE NELSON ("Lynita"), by and through her attorneys
19 of THE DICKERSON LAW GROUP, and respectfully submits for the Court's consideration this Post-Trial
20 Memorandum on the divorce issues involved in this matter.

21 DATED this 31st day of August, 2012.

THE DICKERSON LAW GROUP

23 
24 ROBERT P. DICKERSON, ESQ.
25 Nevada Bar No. 000945
26 JOSEF M. KARACSONYI, ESQ.
27 Nevada Bar No. 0010634
28 KATHERINE L. PROVOST
Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. INTRODUCTION

3 From the inception of this litigation Plaintiff, Eric Nelson ("Eric"), has waged war against his wife
4 of nearly thirty (30) years, seeking to maintain the same control over her in the termination of their marriage
5 as he did during their marriage. While Eric has consistently been the "wheeler-dealer" businessman,
6 damaging his credibility time and again, playing games with Lynita, her attorneys, and this Court,¹ and
7 forcing Lynita to search for answers and incur increased legal fees, Lynita has borne this assault in the only
8 manner she could, with dignity and fortitude.²

9 Eric initiated this action with the filing of his Complaint for Divorce in May 2009. In the more than
10 three (3) years that have elapsed since that time, he has followed a scorch and burn pattern of litigation,
11 taking systematic actions to reduce the community's liquidity by spending the parties' cash, acquiring new
12 assets in violation of the Joint Preliminary Injunction ("JPI"), and encumbering existing assets.³ While Eric
13 has had the benefit of the use of nearly all of the community's assets and income for the duration of these
14 proceedings, he has refused to voluntarily share the same with Lynita, forcing her to fund her representation
15 in this action from the one account of value at her disposal, her Charles Schwab account. As confirmed by
16 Larry Bertsch, CPA ("Mr. Bertsch"), in 2009 Eric provided Lynita with \$65,505.94 (\$47,922.00 in direct
17 payments, and \$17,583.94 in expenses paid on Lynita's behalf) in community income.⁴ In 2010, Eric
18 provided Lynita with a mere \$13,003.58 (which consisted of only \$2,300.00 in direct payments, and
19 \$10,703.58 in expenses),⁵ and in 2011, with a mere \$10,763.60 (\$5,750.00 in direct payments which were
20 Court Ordered attorneys' fees and mediation fees,⁶ and \$5,013.60 in expenses).⁷ Shockingly, during the first

21
22 ¹ Eric personally has been represented in these proceedings by five (5) different law firms, namely: Ecker & Kainen
23 (Edward Kainen, Esq.); Jimmerson Hansen (James J. Jimmerson, Esq.); Stephens, Gourley & Bywater (David Stephens, Esq.);
24 The Willick Law Group (Marshal Willick, Esq. and Kari Molnar, Esq.); and Forsberg, Douglas & Ivey (Rhonda Forsberg, Esq.).
In addition to these five (5) firms, Eric retained the law firm of Solomon, Dwiggin & Freer (Mark Solomon, Esq. and Jeffrey
Luszeck, Esq.) as counsel for the ELN Trust.

25 ² Lynita has at all times during these proceedings been represented by The Dickerson Law Group.

26 ³ The parties have appeared before the Court numerous times regarding such actions by Eric. Some examples, many
of which are discussed later in this Brief, include the Russell Road transaction, Eric's expenditures on his personal residence on
Bella Kathryn, Eric's sale of Harbor Hills, and Eric's reacquisition of the Wyoming racetrack and encumbrance of same.

27 ⁴ See Mr. Bertsch's Report, admitted into evidence as Defendant's Exhibit GGGGG, and specifically DEF006828.

28 ⁵ See Defendant's Exhibit GGGGG, and specifically DEF006832.

⁶ Without such Orders, Eric would not have given one cent of community funds to Lynita.

⁷ See Defendant's Exhibit GGGGG, and specifically DEF006836.

1 three (3) months of 2012, Eric gave Lynita the nominal sum of \$244.00 (which was simply a reimbursement
2 for unreimbursed medical expenses).⁸ Meanwhile, during the same period of time Eric received personal
3 draws and paid personal expenses totaling \$697,476.29, gave his family members (other than the parties'
4 children) \$3,900,115.29, gave \$407,392.13 to the parties' children (of which \$333,501.46 was given to the
5 adult children) in an effort to buy their love and loyalty and turn them against their mother, and spent
6 \$1,839,494.79 on his personal residence.⁹ There can be no doubt from Eric's actions in this matter, and
7 unwillingness to share community income and assets, that Eric's strategy was simply to starve Lynita out
8 in an effort to force Lynita to accept a settlement designed by Eric to maintain control over her into the
9 future. At the start of this litigation, Lynita had access to approximately \$2 million dollars, today she has
10 less than \$200,000.00 remaining at her disposal; she was forced to deplete every dollar she had on
11 professional fees (which were exponentially increased by Eric's vexatious litigation tactics) and living
12 expenses, without ever being able to replenish same with the large amounts of community income that was
13 received by Eric during the same period of time.

14 As will be discussed throughout this Brief, Eric's unjustifiable and oppressive actions during this
15 litigation cannot be condoned, and Lynita is entitled to an equitable division of community property which
16 compensates her for the harm Eric has tried to cause.¹⁰

17 II. FACTUAL STATEMENT

18 Lynita and Eric were married on September 17, 1983, and have been married for nearly thirty (30)
19 years. Eric is fifty-three (53) years old, and Lynita is fifty-one (51) years old. Lynita and Eric have spent
20 almost their entire adult lives together and married. During their lengthy marriage the parties were blessed
21 with five (5) children. Three (3) of the parties' children are now adults. Custody of the remaining two (2)
22 minor children was resolved by the parties' Stipulated Parenting Agreement entered as an Order of this
23 Court on February 8, 2010. By agreement, Lynita has primary physical custody of the minor children, with
24 Eric exercising visitation. Lynita has been a stay-at-home mother and primary care giver for all of parties'

25
26 ⁸ See Defendant's Exhibit GGGGG, and DEF006847.

⁹ See Defendant's Exhibit GGGGG, and DEF006818.

27 ¹⁰ Adjudication of the parties' community assets will first require a decision on the trust issues frivolously interposed
28 into this action by Eric. Pursuant to the Court's instructions, Lynita is submitting a separate post-trial brief concerning the trust
issues concurrently with this Brief. Accordingly, trust issues are not discussed herein, and this Brief assumes that the Court will
find that all of the property held by the parties, whether individually or in trust, is community property.

1 children for the duration of their lives.¹¹ While Lynita has worked in the home, Eric has worked outside the
2 home and has been the “bread winner.” Specifically, Eric is an extremely skilled businessman whose resumé
3 includes experience as a casino owner, casino investor, land developer, commercial and residential landlord,
4 and auctioneer. Over the nearly thirty (30) years that the parties were married, the parties earned and
5 accumulated substantial assets worth in excess of \$18 million today.

6 A. The Community Property Estate

7 On June 9, 2011, the Court entered an Order appointing Mr. Bertsch and Nicholas Miller, CFE (“Mr.
8 Miller”), “to perform a forensic accounting intended to provide the Court with an accurate evaluation of the
9 parties’ estate.” Such appointment was necessary due to Eric’s continuous movement of the parties’ assets,
10 which made it impossible for anyone, including the Court, to obtain a clear understanding of the community
11 estate. Pursuant to the Court’s assignment, Mr. Bertsch and Mr. Miller spent over one (1) year analyzing
12 and valuing the parties’ assets, and tracking each party’s expenditures. Mr. Bertsch and Mr. Miller created
13 several detailed reports concerning same, all of which were admitted into evidence at trial. The information
14 compiled by Mr. Bertsch and Mr. Miller is extremely thorough and detailed, and provides the Court with
15 all of the financial information needed to adjudicate the parties’ property in this matter. The subparagraphs
16 that follow simply summarize Mr. Bertsch’s and Mr. Miller’s findings concerning the extent of the parties’
17 property, and highlight some of the more important, and egregious transactions by Eric during the course
18 of this litigation.

19 (I) *Bella Kathryn and Russell Road.*

20 Prior to discussing the full extent of the parties’ assets, a discussion of the Bella Kathryn and Russell
21 Road properties is necessary because the values of same should, in equity and fairness, be adjusted to reflect
22 Eric’s misconduct in this matter, and then awarded to Eric.

23 ...

24 ...

25 ...

26
27 ¹¹ Prior to marriage Lynita completed approximately 1 ½ years of college at Brigham Young University, studying
28 horticulture. After marriage, Lynita worked for approximately 2 ½ years as a receptionist, until the parties jointly agreed she
should no longer work, but should stay at home to raise their children. By agreement, Lynita has not worked outside of the home
since 1986.

1 (a) Bella Kathryn

2 During the pendency of this action Eric has spent large amounts of community funds on the
3 acquisition, construction, and improvement of the Bella Kathryn residence despite the existence of the
4 Court's JPI.¹² Attached as Exhibit A is Mr. Bertsch's explanation of the sums Eric spent towards Bella
5 Kathryn through June 11, 2011.¹³ Since that time, Eric has spent additional amounts towards Bella Kathryn,
6 and Mr. Bertsch has updated his reports accordingly. According to Mr. Bertsch's April 23, 2012 Notice of
7 Filing Source and Application of Funds Pursuant to April 10, 2012 hearing, Eric's continued dissipation of
8 community funds into Bella Kathryn has increased to \$1,839,494.79 as of March 31, 2012. See Exhibit B.¹⁴
9 It is unknown how much more community funds Eric has invested into this home since April 1, 2012.

10 Eric's testimony regarding Bella Kathryn has varied throughout trial. Initially, Eric testified that he
11 purchased Bella Kathryn to live in a home near Lynita and the children. Later, when questioned about this
12 purchase being in violation of the JPI, he testified that Bella Kathryn was an investment property purchased
13 in the "normal course of business." Near the conclusion of trial, when asked if he would sell Bella Kathryn
14 at this time, Eric testified that he would not agree to do so – an answer confirming Bella Kathryn was
15 purchased and improved so Eric could have a luxurious home in which to reside, rather than as an
16 investment property. Eric has clearly dumped \$1,839,494.79 into Bella Kathryn in order to create his dream
17 home from community funds, and totally deplete the liquidity of the community estate.

18 Eric has requested the Court to value Bella Kathryn according to the appraisal he insisted be obtained
19 (knowing that such appraised value would never correspond with the community funds he spent on the
20 home). Fortunately, the Court has already made it clear that it is unlikely to entertain such an absurd result:

21 IT IS FURTHER ORDERED that if he desires to do so, Plaintiff [Eric] may order an
22 appraisal of his Bella Kathryn residence (2911 Bella Kathryn Circle), at his expense. The
23 Court has informed Plaintiff that Plaintiff's purchase of this residence and continued use of
24 community funds to improve this residence appears to be a violation of the Joint Preliminary
Injunction and the Court is inclined to assess the cost value against Plaintiff. The cost of
Plaintiff's appraisal, if performed, will be assessed against Plaintiff in the final division of
property."

25 ¹² This action was commenced in May 2009. In December 2009, Eric took \$381,984.00 in community cash to purchase
26 Bella Kathryn at auction. At the time, Eric was residing in the home located at 2721 Harbor Hills Lane ("Harbor Hills"), which
27 Eric had purchased for approximately \$682,392.00 in 2007, shortly before the parties' separated. As confirmed in his trial
testimony, Eric later sold the Harbor Hills home for \$350,000.00 in March 2011. The sale of Harbor Hills is yet another example
of Eric's purposeful violation of this Court's JPI, and dissipation of available liquid and unencumbered assets.

28 ¹³ Included in Defendant's Exhibit GGGGG, and specifically DEF006483.

¹⁴ Included in Defendant's Exhibit GGGGG, and specifically DEF006818.

1 Order entered August 24, 2011. Pursuant to such Order, and in furtherance of fairness and equity, Eric
2 should be awarded the Bella Kathryn property at a value of \$1,839,494.79.

3 (b) 5220 E. Russell Road ("Russell Road")

4 As part of their investigation, Mr. Bertsch and Mr. Miller examined the history and transactions
5 surrounding the Russell Road property. Attached hereto as Exhibit C is the narrative prepared by Mr.
6 Bertsch and Mr. Miller summarizing their results.¹⁵ While it is unnecessary to restate such summary herein,
7 there is one major issue that warrants further discussion, specifically, Cal Nelson's interest in Russell Road.

8 As Mr. Bertsch and Mr. Miller explain, "[The] property consisting of 3.3 acres at 5220 E. Russell
9 Road was purchased on November 11, 1999 for \$855,945 by the Lynita Nelson Trust and the down payment
10 from Cal Nelson amounting to \$20,000." Title to the property was taken solely in the name of Lynita's 1993
11 revocable trust.¹⁶ Although Cal Nelson contributed only \$20,000.00 towards Russell Road, by 2005 he
12 owned 100% of the property through CJE&L, LLC. Eric had Lynita transfer 100% of the property to CJE&L
13 (in separate transactions explained by Mr. Bertsch and Mr. Miller) without any financial consideration.

14 In 2010, in violation of the JPI, Eric paid \$4,000,000.00 (of which \$2,777,861.55 was community
15 liquid cash) to purchase only a 65% interest in Russell Road from Cal Nelson, who obtained the property
16 from the parties virtually for free (if one were to calculate ownership percentages by contributions to the
17 purchase price, Cal Nelson would have a 2.28%¹⁷ interest in same). During these proceedings, and again
18 in violation of the JPI, Eric and Cal Nelson sold Russell Road to Oasis Baptist Church ("Oasis") for
19 \$6,500,000.00. According to Eric's and Cal Nelson's subsequent agreement, Eric is entitled to 66.67% of
20 the \$6,500,000.00, and Cal Nelson is entitled to the remaining 33.33%.¹⁸ In addition, Eric made a
21 \$300,000.00 cash loan of community funds to Oasis for improvements,¹⁹ and Oasis owes an additional
22 \$295,000.00 for past due rents and taxes to Eric and Cal Nelson. Accordingly, the interest in Russell Road
23 is worth \$7,095,000.00, and given the information provided by Mr. Bertsch, this Court should find that

24 ¹⁵ Included in Defendant's Exhibit GGGGG, and specifically DEF006484-DEF006487.

25 ¹⁶ See Defendant's Exhibit UUUU, and specifically Grant, Bargain, Sale Deed 1999112301029, executed on September
26 25, 1999, and recorded on November 23, 1999, contained within said Exhibit.

27 ¹⁷ \$20,000.00 (down payment)/\$875,945.00 (total purchase price).

28 ¹⁸ Included in Defendant's Exhibit GGGGG, and specifically DEF006487.

¹⁹ Eric admitted during his testimony on August 20, 2012, that he is entitled to 100% of the \$300,000.00 loan he made
to Oasis with community funds, but claims to only be entitled to 65% of the \$6,500,000.00 promissory note and the \$295,000.00
second promissory note for back rents and taxes.

1 based on the community funds invested in Russell Road, and lack of contribution by Cal Nelson, Eric and
2 Lynita own a 100% interest in the three (3) Russell Road promissory notes, and award same to Eric at a
3 value of \$7,095,000.00. Even if the Court accepts Eric's position that Lynita's transfer of her 100% interest
4 in Russell Road to Cal Nelson was a "legitimate transaction" (if such a finding is possible without
5 consideration, and notwithstanding Eric's total lack of credibility), and that Eric only has a 66.67% interest
6 in the \$6,500,000.00 promissory note and \$295,000.00 promissory note, and 100% interest in the
7 \$300,000.00 promissory note, Eric should be awarded the parties' interest in the Russell Road promissory
8 notes at a value of \$4,830,226.50 $((\$6,500,000.00 \times .6667) + (\$295,000.00 \times .6667) + \$300,000.00)$.

9 (ii) *The Parties' Assets and Liabilities.*

10 (a) Assets

11 Attached hereto as **Exhibit D** is Mr. Bertsch's breakdown of the parties' assets.²⁰ The following is
12 a list of assets and values as compiled by Mr. Bertsch, as well as adjusted values based on the discussions
13 concerning Bella Kathryn and Russell Road above, and the testimony and evidence presented at trial:

Asset	Mr. Bertsch's Value	Notes/Adjusted Values
Eric Cash	\$1,159,769 (03/31/12)	\$80,000 (current value)
Eric AZ-29 Gateway lots	\$139,500	
Russell Road Property	\$4,000,000 (65%)	\$7,095,000 (discussed above)
Family Members	\$35,000	
Nikki Cvintavich	\$200,000	
2911 Bella Kathryn	\$1,602,171 (\$925,000 appraisal)	\$1,839,495 (discussed above)
17 Banone Properties (Nevada)	\$1,184,236	
21 Banone Properties (Arizona)	\$629,221	
8 Banone – AZ Properties	\$284,122	
Notes Receivable	\$720,761	
Silver Slipper (cash)	\$1,568,000	
MS Property (121.23 acres)	\$607,775	
Lynita Cash	\$1,071,035 (03/31/12)	\$200,000 (current value)
7065 Palmyra	\$725,000	\$750,000 (appraised value)
Lynita AZ-31 Gateway lots	\$139,500	

28 ²⁰ Included in Defendant's Exhibit GGGGG, and specifically DEF006657.

5913 Pebble Beach	\$75,000	
Wyoming - 200 acres	\$405,000	
830 Arnold Ave	\$40,000	
MS Property (RV Park)	\$559,042	
MS Property	\$870,193	
Grotta - 16.67% (25.37 MS acres)	\$21,204	
Brianhead cabin and land	\$985,000	
3611 LIndell	\$1,145,000	
MS Property (Emerald Bay)	\$560,900	
Total Assets	\$18,717,429	\$20,178,249

As can be seen, Mr. Bertsch valued the community estate at \$18,443,307.00. Mr. Bertsch's value of the parties' cash was as of March 31, 2012, however, and the adjusted values for cash are based on each party's testimony at trial. Lynita's testimony regarding her remaining cash was based on the actual numbers obtained from the bank during the August 20, 2012 trial proceedings. Eric, on the other hand, simply estimated that he had \$80,000.00 remaining in his bank account without explanation. It can only be assumed that the vast majority of the \$1,159,769 held in Eric's bank accounts as of March 31, 2012, was expended in advancing the frivolous legal position advocated by the ELN Trust on Eric's behalf. The adjustments to Bella Kathryn and Russell Road are based on the information provided in the previous subsections.

In addition, there is one asset that was not included in Mr. Bertsch's report and the chart above, because same was bought by Eric without anyone's knowledge or approval. As the Court will recall, on December 13, 2011, the parties appeared before this Court on the ELN Trust's Motion to Dissolve Injunction ("Motion to Dissolve"). The Motion to Dissolve sought the release of the \$1,568,000.00 held in David Stephens, Esq.'s trust account. The ELN Trust and Eric requested release of such funds, in part, "for an opportunity to purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00."²¹ In

...

...

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...

²¹ Motion to Dissolve Injunction, pg. 6, lines 15-17.

1 fact, Eric and the ELN Trust specifically represented to the Court that the Wyoming property could not be
2 purchased without such funds:

3 [The ELN Trust] has a contract to purchase Wyoming Downs at \$450,000.00 and it needs
4 its proceeds to complete its transaction. It has \$75,000.00 down that's going to be forfeited
under the terms of the contract at least if we don't have the monies to close.

5 [12-13-11 Hearing VTS 13:52:53, by Mr. Solomon]

6 We're not trying to waste money, we're not trying to throw it away, hide it, we're trying to
7 invest it, and invest it for profit.

8 [12-13-11 Hearing VTS 13:53:31, by Mr. Solomon]

9 The Court, obviously not sympathetic to Eric's pleas, and refusing to allow Eric to continue to dissipate
10 community funds and conduct his so called "ordinary course of business," denied the ELN Trust's Motion
11 to Dissolve, reissuing its injunction freezing the \$1,568,000.00 held in Mr. Stephens' trust account.

12 Despite the Court's December 13, 2011 Order, and notwithstanding the representations quoted
13 above, on January 6, 2012, Eric magically concluded the purchase of the property located at 10180 State
14 Highway North, Uinta County, Wyoming 82930 ("Wyoming Downs property"), from Wyoming Racing,
15 LLC ("Wyoming Racing"), expending hundreds of thousands of additional community funds. Eric never
16 informed Lynita, her counsel, or the Court about this purchase.

17 Most alarmingly, just sixty (60) days after completing the purchase of Wyoming Downs (after the
18 Court implicitly denied him permission to do same), the ELN Trust filed its Motion for Payment of
19 Attorneys' Fees and Costs, claiming that it was without any funds to pay its attorneys and experts, again
20 requesting the release of the funds frozen in Mr. Stephen's trust account. Nowhere in said motion did the
21 ELN Trust mention its purchase of Wyoming Downs -- (Eric no doubt thought that the purchase of this
22 property was not going to be discovered by Lynita and her counsel).²²

23 Even more shockingly, at the same time as he purchased Wyoming Downs, Eric took a loan against
24 same, cashing out any benefit that could have flowed to the community. The purchase price of the Wyoming
25 Downs property was only \$440,000.00, and Eric had already put a deposit of \$75,000.00 down towards such

26 ²² Lynita will always wonder, given Eric's lack of candor during these proceedings, what other secret transactions of
27 Eric's have gone undiscovered. For example, in January 2012, Eric also transferred two (2) Banone properties (i.e., 2209
28 Farmouth Circle, Las Vegas, NV, and 5704 Roseridge Ave., Las Vegas, Nevada), to his star witness, Rochelle McGowan's
parents, and his employee, Keith Little. Fortunately, Lynita and her counsel were able to discover these two (2) additional secret
transactions on the eve of second to last day of trial.

1 purchase. Eric borrowed \$700,000.00 against the Wyoming Downs property concurrently upon the purchase
2 of same, thereby cashing out nearly \$335,000.00 in equity that presumably existed in the property at the time
3 of purchase, which was more than enough to pay the fees and costs the ELN Trust sought from Mr.
4 Stephen's trust account. Of course, Eric would not rest until he saw that every liquid dollar of community
5 funds was spent. Fortunately, the Court would not allow the inequity Eric sought, ordered Mr. Bertsch to
6 provide an update of the cash available to Eric and the ELN Trust, and denied the motion for fees and costs.

7 The Wyoming Downs property is still owned by the parties today, held in the name of Dynasty
8 Development Management, LLC,²³ a newly formed entity. Unfortunately, it was impossible for Mr. Bertsch
9 to value the property since Eric hid the reacquisition. The only equitable solution is to equally divide the
10 interest in Wyoming Downs, subject to the condition that Eric be wholly responsible for the encumbrance
11 thereon since he has already received a \$335,000.00 windfall from the property.

12 (b) Liabilities

13 As part of their analysis, Mr. Bertsch and Mr. Miller examined whether the parties had any legitimate
14 liabilities. Attached hereto as Exhibit E is their summary regarding liabilities.²⁴ As can be seen, not a single
15 liability was verified by Mr. Bertsch and Mr. Miller. There is one (1) known and documented liability,
16 specifically the encumbrance Eric placed on Wyoming Downs in violation of the Court's JPI. As previously
17 stated, such liability should be awarded to Eric, and Lynita should still be awarded a 50% interest in
18 Wyoming Downs.

19 B. Eric's Dissipation And Waste Of Community Assets

20 As previously stated, Mr. Bertsch and Mr. Miller examined all the parties' expenditures from 2009
21 through March 31, 2012. During the process, they uncovered countless payments by Eric to related
22 individuals (Eric's family members and employees). Attached hereto as Exhibit F is a summary of the
23 information concerning such payments contained in Mr. Bertsch's and Mr. Miller's reports (with references
24 to pages in the actual reports where such information can be found). The amount received by each
25 individual in the summary was reduced (from Mr. Bertsch's and Mr. Miller's numbers) for documented loan
26 repayments and income that was supported by a 1099. Also taken out of the equation were any monies paid

27 ²³ To avoid any confusions, Dynasty Development Management, LLC is a distinct and separate entity from Dynasty
28 Development Group, LLC, which has filed for bankruptcy protection.

²⁴ Admitted as Defendant's Exhibit GGGGG, and specifically DEF0014893-DEF14894.

1 for "reimbursements" or "expenses". In addition, the monies received by Cal Nelson related to the Russell
2 Road transaction were deducted from Mr. Bertsch's and Mr. Miller's total calculation of monies given to
3 Cal Nelson by Eric, since such sums were already discussed and accounted for above with respect to the
4 Russell Road property. As can be seen, during the course of these proceedings, Eric has given related
5 individuals \$1,329,065.25 which Eric has failed to document were anything other than gifts and
6 unauthorized dissipations of community funds. Such transfers should be found by this Court to constitute
7 community waste, with Lynita being compensated accordingly.

8 C. Community Earnings During The Course Of This Litigation, and Eric's Expenditure Of Same

9 Attached hereto as Exhibit B, are the consolidated totals of the parties' community earnings and
10 expenditures from 2009 through the first three and one-half (3 ½) months of 2012, compiled by Mr. Bertsch
11 and Mr. Miller. Notwithstanding the fact that Eric completely closed Eric Nelson Auctioneering during this
12 divorce in order to intentionally reduce his income,²⁵ Eric has earned significant sums of money during the
13 pendency of this matter. From January 2009 to April 2012, Eric's net income from rental and interest
14 payments was \$1,024,822.53. Exhibit B. During the same time period, Eric had other sources of income
15 totaling \$13,880,124.60, of which only \$594,500.72 was necessary for Eric's company operating expenses.
16 Exhibit B. The remaining \$13,285,623.88, plus the net rental and interest income of \$1,024,822.53, was
17 completely at Eric's disposal. From this \$14,310,446.41, Eric graciously shared \$89,517.12, or 0.63%, with
18 Lynita (if you can credit Eric with the amounts the Court ordered him to pay). Nevada Revised Statutes,
19 Section 123.225 (2012), provides that "the respective interests of the husband and wife in community
20 property during continuance of the marriage relation are present, existing and equal interests." Apparently
21 Eric's counsel did not advise him of the existence of this statute. In addition, Eric could not find in his
22 \$14,310,446.41 sufficient sums to begin paying Lynita child support for raising their two (2) remaining
23 minor children.

24 **III. LEGAL ANALYSIS**

25 A. Division Of The Parties' Community Property and Debt

26 Attached hereto as Exhibit G and Exhibit H are two (2) proposed property divisions which equally
27 divide the parties' community property. Exhibit G assigns a value of \$7,095,000.00 to the Russell Road

28

²⁵ Eric's 2010 and 2012 Testimony.

1 promissory notes, and Exhibit H assigns the minimum value of \$4,830,226.50 to the Russell Road
2 promissory notes. As discussed in the Factual Statement, the Court should accept one of these two values
3 (although Lynita submits that the \$7,095,000.00 is more fair and equitable under the circumstances). In both
4 proposed property divisions, Eric has been awarded the promissory notes associated with Russell Road, and
5 he can sort out his actual interest in same with his brother Cal as he pleases. In addition, in both proposed
6 property divisions Eric has also been awarded the promissory notes for the Banone Nevada properties he
7 "sold" to Rochelle McGowan's parents and Keith Little this year in violation of the JPI, and the face value
8 of same have been deducted from the total value of the Banone Nevada properties, the remainder of which
9 should be awarded to Lynita. It is also proposed in both scenarios that Eric be awarded Bella Kathryn at
10 cost, in accordance with this Court's prior Order. Finally, in each division it respectfully requested that the
11 parties remain 50% joint owners in the Wyoming Downs property since no value could be assigned to same
12 due to Eric's actions. Lynita respectfully requests that the Court enter judgment in accordance with Exhibit
13 G, but offers Exhibit H as a reasonable alternative should the Court disagree with her position concerning
14 Russell Road.

15 In addition, the divisions of property proposed in Exhibit G and Exhibit H are equal, and do not
16 compensate Lynita for her one-half (½) of the \$1,329,065.25 Eric has given to related individuals during the
17 pendency of this case and failed to document were anything other than gifts and unauthorized dissipations
18 of community funds, the hundreds of thousands of dollars Lynita was forced to expend on Eric's
19 unreasonable change in positions in this matter concerning the character and ownership of the parties'
20 community property, or the hundreds of thousands of dollars in community funds Eric wasted on such
21 frivolous arguments, which will be discussed in the sections that follow. The property divisions also do not
22 account for a lump sum award of alimony to Lynita, which the Court has indicated it is inclined to award,
23 also discussed below. Accordingly, after the Court makes a decision regarding its equal division of property
24 amongst the parties, the Court should then shift some property awarded to Eric to Lynita to account for these
25 remaining issues.

26 Finally, there are no verified debts to be adjudicated by the Court save and except the encumbrance
27 on the Wyoming Downs property. As set forth in the Factual Statement, such encumbrance should be
28 awarded 100% to Eric since he has already received the benefit of same, with Lynita still enjoying an equal

1 50% interest in Wyoming Downs. Although there are no documented and verifiable debts owed by the
2 parties, Eric has attempted to fabricate a number of debts owed to his family members (as though he has not
3 given them enough of the parties' property already). He has undoubtedly done this in an attempt to convince
4 this Court that there is less community property to award to Lynita, and to gain an unfair advantage in this
5 litigation. He has also done this to begin forming a basis for his family members to sue Lynita in the future
6 over such debts if Eric so directs – certainly Eric is not above such an underhanded strategy. Since Eric has
7 found it appropriate to give away such a large amount of the parties' property to his family members, it
8 would also be appropriate for him to be awarded any debts owed to such family members, and to defend,
9 indemnify and hold Lynita harmless from same. This is the only way to protect Lynita from future,
10 continued harassment and oppression by Eric.

11 B. Eric's Child Support Obligation

12 Pursuant to the parties' Stipulated Parenting Agreement entered into by the parties on October 15,
13 2008, and entered as an Order of this Court on February 8, 2010, Lynita has primary physical custody of the
14 parties' two (2) remaining minor children, Garrett Nelson and Carli Nelson. Eric should be required to pay
15 Lynita monthly child support in an amount not less than twenty-five percent (25%) of his average gross
16 monthly income from all sources, including any passive income and/or business income, prior to the
17 deduction of Eric's purported "business expenses." At a minimum, Eric must be required to pay Lynita
18 \$1,040.00 per month, per child, in accordance with the highest statutory presumptive maximum. Lynita is
19 also entitled to an award of constructive arrears from the time of the parties' separation in February, 2008,
20 to present date. *See* NRS 125B.030.

21 Furthermore, in light of Eric's significant income and earning capacity, Eric should be required to
22 bear certain additional expenses on behalf of the parties' children, including private education expenses for
23 Carli, who is attending Faith Lutheran, medical insurance for both of the parties' minor children, and the
24 children's extracurricular expenses. Lynita and Eric should equally share the costs of any medical, surgical,
25 dental, orthodontic, psychological, and optical expenses of the minor children which are not paid by any
26 medical insurance covering the children. All such costs and expenses should be ordered paid pursuant to
27 the Court's standard "30/30" Rule.

28 ...

1 ...
2 ...
3 C. Lump Sum Alimony

4 NRS 125.510 provides, in pertinent part, as follows:

5 1. In granting a divorce, the court:

6 (a) May award such alimony to the wife or to the husband, in a specified principal sum
7 or as specified periodic payments, as appears just and equitable.

8 In *Sprenger v. Sprenger*, 110 Nev. 855, 859, 878 P.2d 284, 287 (1994), the Nevada Supreme Court
9 enumerated seven factors to be considered in determining the appropriate alimony award:

10 (1) the wife's career prior to marriage; (2) the length of the marriage; (3) the husband's
11 education during the marriage; (4) the wife's marketability; (5) the wife's ability to support
12 herself; (6) whether the wife stayed home with the children; and (7) the wife's award, besides
child support and alimony.²⁶

13 The Court has indicated throughout these proceedings that it is inclined to award Lynita lump sum
14 alimony. Certainly the standards and guidelines established by the Nevada Supreme Court and Nevada
15 Legislature support such an award. The parties have been married for nearly thirty (30) years. During their
16 marriage, Eric has been the sole "breadwinner," while Lynita remained at home to care for the parties' five
17

18 ²⁶ Such factors also are codified in NRS 125.510, which provides as follows:

19 In addition to any other factors the court considers relevant in determining whether to award alimony and the
20 amount of such an award, the court shall consider:

- 21 (a) The financial condition of each spouse;
22 (b) The nature and value of the respective property of each spouse;
23 (c) The contribution of each spouse to any property held [jointly by the parties];
24 (d) The duration of the marriage;
25 (e) The income, earning capacity, age and health of each spouse;
26 (f) The standard of living during the marriage;
27 (g) The career before the marriage of the spouse who would receive the alimony;
28 (h) The existence of specialized education or training or the level of marketable skills attained
by each spouse during the marriage;
(I) The contribution of either spouse as homemaker;
(j) The award of property granted by the court in the divorce, other than child support and
alimony, to the spouse who would receive the alimony; and
(k) The physical and mental condition of each party as it relates to the financial condition, health
and ability to work of that spouse.

1 (5) children. As a result of Eric's earning potential, Lynita and the parties' two (2) remaining minor children
2 have become accustomed to a certain standard of living that cannot be maintained without support from Eric.
3 Lynita leaves this marriage at the age of fifty-one (51). She does not have a college degree, her last college
4 class (horticulture) having been completed prior to her 1983 marriage to Eric. Lynita has not worked outside
5 the home since 1986, and presently has no educational training or skills with which to obtain gainful
6 employment. Her employment history is limited to being a sales clerk at a department store, receptionist
7 at a mortgage company, and runner at a law firm. Undoubtedly, Lynita would have a very difficult time
8 establishing a career at this stage in life. In fact, Eric has even suggested that Lynita is "mentally
9 challenged," which obviously may render her unemployable.

10 Although Lynita should receive property of substantial value at the conclusion of this divorce, absent
11 an award of alimony, in all likelihood she will have to liquidate such property throughout the remainder of
12 her life in order to provide for herself and her minor children. Regardless of what assets the Court
13 determines should be awarded to Eric in light of the issues addressed above, Eric has proven that he has the
14 ability to earn a substantial income; in fact, Eric has openly bragged in his testimony about his business
15 acumen. Lynita does not have the experience, expertise, business connections, and savvy to earn an income
16 that is even closely comparable to Eric's proven earning ability. Further, even if Lynita were to liquidate
17 her property, it is doubtful that such property alone will be sufficient to allow Lynita to live the rest of her
18 life in the standard that the parties were accustomed to during marriage. Eric's ability to earn a substantial
19 living, which ability was established during the course of the parties' marriage, will remain with him for the
20 rest of his life. In essence, Eric is walking away from this marriage with the "career asset" that led to the
21 accumulation of the parties' community wealth. Lynita respectfully requests the Court award her lump sum
22 alimony of not less than \$1,000,000. Such an award is less than 7% of what Eric made during the course
23 of this litigation alone, and only 1.39 times the amount Eric determined the parties required from the ELN
24 and LSN Trusts on an annual basis to support their lifestyle.²⁷

25 ...

26 ...

27 ²⁷ The Court will recall that the evidence presented at trial, and particularly the purported "Minutes" of the ELN and LSN
28 Trusts, demonstrates that Eric determined the parties' needed \$60,000.00 a month, or \$720,000.00 per year, from the trusts to
support their lifestyle.

1 D. Attorneys' Fees: Why Eric Must Be Required To Pay For His Actions

2 Lynita should be awarded the substantial attorneys' fees and costs she has incurred in this matter,
3 including the fees paid to Melissa Attanasio, CFP, CDFA,²⁸ and Joseph Leanae, CPA.²⁹ Not only would
4 an award of such fees and costs be appropriate under *Sargeant v. Sargeant*, 88 Nev. 223, 227, 496 P.2d 618,
5 621 (1972), but such fees and costs should unquestionably be awarded pursuant to NRS 18.010(2)(b):

6 In addition to the cases where an allowance is authorized by specific statute, the court may
7 make an allowance of attorney's fees to a prevailing party:

8
9 (b) Without regard to the recovery sought, when the court finds that the claim,
10 counterclaim, cross-claim or third-party complaint or defense of the opposing party was
11 brought or maintained without reasonable ground or to harass the prevailing party. The court
12 shall liberally construe the provisions of this paragraph in favor of awarding attorney's fees
13 in all appropriate situations. It is the intent of the Legislature that the court award attorney's
14 fees pursuant to this paragraph . . . to punish for and deter frivolous or vexatious claims and
15 defenses because such claims and defenses overburden limited judicial resources, hinder the
16 timely resolution of meritorious claims and increase the costs of engaging in business and
17 providing professional services to the public.

18 (Emphasis added): Eric's harassing and groundless positions have been well documented in this action. Eric
19 initiated this action and for nearly two (2) years, up until and including the first six (6) days of trial, took the
20 position that all property held by the ELN and LSN Trusts was community property. Despite being the
21 Investment Trustee for the ELN Trust, and the only person authorized to institute legal action on its behalf,
22 he did nothing to join the ELN Trust to this action, leading all parties and the Court to believe that it would
23 be unnecessary to join the ELN Trust because Eric could simply transfer property from the trust if the Court
24 entered an order dividing the parties' marital property. It was not until Eric sensed that the Court would not
25 grant the relief he requested that he first asserted that the ELN Trust was a necessary party.

26 Eric then allegedly delegated his authority to take legal action on behalf of the ELN Trust to its
27 Distribution Trustee, Lana Martin, alleging that there was a conflict of interest that prevented him from
28 exercising such powers in this action. Interestingly, Eric never perceived a conflict of interest between

25 ²⁸ Ms. Attanasio is a Certified Financial Planner and Certified Divorce Financial Analyst.

26 ²⁹ Pursuant to NRS 18.005, allowable costs include "reasonable fees of not more than five expert witnesses," and "any
27 other reasonable and necessary expenses incurred in connection with the action." As confirmed by Lynita during her testimony
28 on August 20, 2012, it would not have been possible for Lynita, her attorneys, Mr. Bertsch, or this Court to ever fully understand
the extent of the parties' assets given the continuous, convoluted financial finagling devised by Eric to prevent anyone from every
fully understanding the parties' financial affairs. Accordingly, 100% of the fees Lynita has been forced to incur to employ the
professional services of Ms. Attanasio and Mr. Leanae should be reimbursed to her. Such fees will be presented in the form of
an appropriate affidavit and Memorandum of Fees and Costs at the conclusion of briefing as instructed by the Court.

1 himself and the ELN Trust during the first two (2) years of litigation when the parties appeared before this
2 Court on numerous occasions concerning wasteful dissipation and transfers of assets made by Eric from the
3 ELN Trust, without notice, and in violation of the Court's JPI.

4 On August 19, 2012, the ELN Trust filed its pleading requesting declaratory relief from the Court.
5 Despite submitting to the jurisdiction of the Court, and requesting affirmative relief from this Court, the
6 ELN Trust moved to dismiss counterclaims subsequently brought by Lynita alleging that this Court lacked
7 jurisdiction over such claims. The ELN Trust then filed a motion requesting approximately \$200,000.00
8 from funds held by the Court for payment of its attorneys' fees and costs. The Court denied the request,
9 finding that the ELN Trust had sufficient funds available to pay its fees and costs. The ELN Trust later tried
10 to rewrite history, arguing that its request was granted because it needed this Court's permission to pay its
11 fees and costs, even though it had never sought permission during the first two (2) years of litigation to pay
12 all of Eric's fees and costs, and despite the fact that it did not seek permission to purchase the Wyoming
13 Downs property for \$440,000.00 in January 2012, after the Court had already denied a request for release
14 of blocked funds to make such purchase.

15 Most alarmingly, and as the Court is well aware, it was Eric's complete and unreasonable change
16 in positions with respect to the property held in the ELN and LSN Trusts which has caused this matter to
17 continue for two (2) years after the beginning of trial. It is impossible to think of a more vexatious and
18 frivolous claim than a claim which is taken to defeat one's own position in the very same litigation. The
19 aforementioned actions have caused Lynita to incur hundreds of thousand of dollars in attorneys' fees and
20 costs which she should not have been made to incur. Such actions have also unnecessarily consumed a large
21 amount of judicial resources. The gamesmanship and legal maneuvering in this action by Eric and the ELN
22 Trust is exactly the type of litigation abuses the Legislature sought to prevent in enacting NRS 18.010.
23 Accordingly, Lynita should be awarded the attorneys' fees and costs she has incurred in this matter as a
24 result of Eric's and the ELN Trust's vexatious and frivolous legal games, in addition to one-half (½) the fees
25 and costs Eric paid from community funds for such games.

26 Pursuant to *Brunzell v. Golden Gate Nat'l Bank*, 85 Nev. 345, 349, 455 P.2d 31, 33 (1969), in
27 awarding reasonable fees and costs to Lynita this Court will need to make specific findings regarding "(1)
28 the qualities of the advocate: his ability, his training, education, experience, professional standing and skill;

1 (2) the character of the work to be done: its difficulty, its intricacy, its importance, time and skill required,
2 the responsibility imposed and the prominence and character of the parties where they affect the importance
3 of the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given to the
4 work; (4) the result: whether the attorney was successful and what benefits were derived." As the Court has
5 instructed, at the conclusion of post-trial briefing, Lynita's counsel will submit an appropriate affidavit and
6 Memorandum of Fees and Costs detailing the fees and disbursements incurred by Lynita in this action, and
7 offer suggested findings pursuant to *Brunzell*.

8 **IV. CONCLUSION**

9 For the reasons set forth above, the Court should enter an Order denying the relief sought by Eric and
10 the ELN Trust, and awarding Lynita her share of the parties' community property, alimony, child support,
11 and attorneys' fees and costs.

12 DATED this 31st day of August, 2012.

13 THE DICKERSON LAW GROUP

14 

15 ROBERT P. DICKERSON, ESQ.

16 Nevada Bar No. 000945

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22 Las Vegas, Nevada 89134

23 Attorneys for Defendant

EXHIBIT A

Note 1 - 7065 Palmyra

This is the current residence of Lynita Nelson. It has been alleged that improvements have been made to the property in the last two years. The parties do not agree on the value of the Property.

Since there is no agreement on the value of the property, it is recommended an appraisal be made on the property directed by an independent third party.

Note 2 - 2911 Bella Kathryn

This is the current residence of Eric Nelson which includes an adjacent vacant lot for which Eric is conducting improvements. Eric has valued the property as \$900,000 for the residence and \$175,000 for the adjoining lot. Lynita does not agree and her issue is stated below.

According to the detailed records of Eric Nelson, a total amount of \$1,362,612.57 has been spent towards the property which contains the house. The house was initially purchased for \$381,984.00 on 12/28/2009 and improvements have been made to the property as of 06/11/2011 amounting to \$980,628.57.

In reviewing the details of the house improvements on the general ledger kept by Eric Nelson, there was only one payment recorded to a relative, Paul Nelson, in the amount of \$25,000 and designated as contract labor in building the Residence. There were other payments recorded to relatives for reimbursement of materials and supplies used on the building of the residence. None of the reimbursed amount appeared material or not related to the residence. Those reimbursed payments were made to Paul Nelson, Cal Nelson, and to Big Fish, LLC, a company owned by Cal Nelson.

The adjoining lot was purchased on 08/11/2010 for a cost of \$175,000. As of 06/11/2011, improvements have been made towards the lot in the amount of \$64,558.68. In total, the purchase price and additional improvements towards this property amount to \$239,558.68.

Therefore the aggregate costs of the residence and adjoining lot at 06/11/2011 amounts to \$1,602,171.25.

Since there is no agreement on the value it is recommended an appraisal be made of the property directed by an independent third party or a decision that funds expended for the property be the criteria of value.

At issue - Lynita claims Eric has used community funds to build this residence and feels regardless of an appraisal, she should receive 50% on the costs to buy and build the property.

EXHIBIT B

2009 through 2012 Consolidated Totals

Source & Application of Rental/Interest Income		2009 - 2012 Total	2009 Total	2010 Total	2011 Total	3 1/2 Months of 2012
Sources						
Rental & Interest Income						
Banone Houses		1,394,207.57	392,456.43	494,626.47	382,208.40	124,916.27
Lindell		341,971.35	115,096.00	91,527.35	110,148.00	25,200.00
Note Interest Income		259,633.80	142,126.49	63,529.03	44,183.35	9,794.93
Arnold Rent		14,235.19	4,594.70	2,662.88	5,254.46	1,723.15
RV Park		42,793.09	38,158.09	-	4,635.00	-
Total Rental & Interest Income		2,052,841.00	692,431.71	652,345.73	546,429.21	161,634.35
Applications						
Rental Expenses						
Rental Expenses		499,578.90	329,361.92	78,484.28	69,265.81	22,466.89
Taxes		379,870.15	142,497.18	130,794.78	64,369.94	42,208.25
Lindell Expenses		71,204.27	33,545.67	24,014.40	8,758.25	4,885.95
HOA Fees		34,028.77	14,755.49	14,926.08	3,815.20	532.00
Insurance		43,336.38	24,745.37	17,023.35	1,567.66	-
Total Rental Expenses		1,028,018.47	544,905.63	265,242.89	147,776.86	70,093.09
Income/Loss for Rental/Interest		1,024,822.53	147,526.08	387,102.84	398,652.35	91,541.26
Source & Application of Other Income & Expenses						
Sources						
Related Individuals		419,598.83	267,092.56	24,169.27	116,670.00	11,667.00
Sale of Real Estate		6,250,616.46	3,702,030.75	2,086,354.10	352,231.61	110,000.00
Silver Slipper & Hideaway Income		456,349.27	163,805.29	155,952.85	97,044.01	39,547.12
Redemption of CD		2,504,535.34	2,504,535.34	-	-	-
Eric Nelson		1,060,095.59	998,800.00	60,795.59	300.00	200.00
Other Income		3,188,929.11	2,800,405.97	180,422.24	12,214.65	195,886.25
Total Sources of Income		13,880,124.60	10,436,669.91	2,507,694.05	578,460.27	357,300.37
Applications						
Investments		9,104,348.77	8,846,467.56	257,881.21	-	-
Professionals		809,107.32	72,569.44	303,058.66	423,479.22	10,000.00
Oasis Baptist Church (Russell Road) (Asset)		380,813.99	-	-	380,813.99	-
Eric Nelson Draws and Expenses		697,476.29	200,884.69	256,218.51	193,953.55	46,419.54
Children Expenses		407,392.13	100,902.35	145,566.83	139,363.15	21,559.80
Related Individuals		3,900,115.29	1,336,784.69	2,382,495.36	117,988.04	62,847.20
Company Operating Expenses		594,500.72	305,645.18	136,299.39	128,352.91	24,203.24
Bella Kathryn Improvements & Expenses (Eric's Residence)		1,839,494.79	402,000.00	1,257,047.67	99,866.64	80,580.48
Credit Cards		37,329.59	15,373.37	-	11,000.00	10,956.22
Wyoming Downs (Asset)		80,800.00	-	-	76,000.00	4,800.00
Other Individuals		502,173.52	298,793.02	105,160.27	64,907.11	33,313.12
Soris Enterprises & Larsen Company		443,672.85	199,600.00	179,558.72	63,719.13	795.00
Health/Life Insurance		75,189.41	11,952.01	14,899.85	40,850.45	7,487.10
Lynita Nelson		89,517.12	63,505.94	13,003.58	10,763.60	244.00
Vehicles		26,321.26	10,290.42	5,903.00	8,479.48	1,648.36
Toler Marine, Inc		3,000.00	-	-	3,000.00	-
Other Expenses		28,723.94	23,195.99	3,027.95	-	-
Total Applications		19,019,976.99	11,889,964.66	5,060,121.00	1,762,537.27	307,354.06
Income/(Loss) for Other Income & Expenses		(5,139,852.39)	(1,453,294.75)	(2,552,426.95)	(1,184,077.00)	49,946.31
Investment Account & Line of Credit						
Deposits from Line of Credit & Mellon Account		7,918,202.04	3,640,000.00	2,997,368.17	1,032,000.00	248,833.87
Payments towards Line of Credit & Mellon Account		6,250,000.00	4,950,000.00	1,050,000.00	250,000.00	-
Net Deposits/(Payments)		1,668,202.04	(1,310,000.00)	1,947,368.17	782,000.00	248,833.87
Net Cash Surplus/(Deficit) for All Sources		(2,446,827.82)	(2,615,768.67)	(217,955.94)	(3,424.65)	390,321.44

EXHIBIT C

Note 3 - Russell Road Property

History

Property consisting of 3.3 acres at 5220 E. Russell Road was purchased on November 11, 1999 for \$855,945 by the Lynita Nelson Trust and the down payment from Cal Nelson amounting to \$20,000. Lynita then became a 50% partner with Cal Nelson in a partnership named CJE&L, LLC which was formed for the purpose of renting the property to Cal's Blue Water Marine.

Shortly thereafter, CJE&L, LLC obtained a loan from Business Bank of Nevada in the amount of \$3,100,000. The purpose of this loan was to build a building for the operations of Cal's Blue Water Marine, Inc. The loan was to be guaranteed by Clarence and Jeanette, individually as well as their Trust dated May 31, 2001 and also Cal's Blue Water Marine, Inc.

Sometime in 2004, Lynita signed a guarantee on the flooring contract for the inventory of Cal's Blue Water Marine, Inc. On 01/01/2005, Lynita withdrew her guarantee of the flooring contract and in return, Lynita signed an assignment or forfeit of her interest in the partnership to remove her from the property records. (The Examiner has not seen the flooring agreement that was signed by Lynita, although requested - Each of the parties claims the other has the contract). According to the records, the forfeiture of partnership interest was transferred to the capital account of Cal Nelson there being no cash attached to the transaction.

The boat business failed in 2008. At that time, the Bank demanded a \$300,000 pay down to keep the loan in performing status. Eric paid the \$300,000 which was secured by property owned by Cal Nelson and located in Utah.

Eric's purchase of the interest in property

On or about 02/10/2010, Eric Nelson decided to purchase a 65% interest in the property. Eric's 65% interest is said to have cost \$4,000,000; which is comprised of the following amounts:

- 1) In 2009, Eric purchased an FDIC note on a property in Phoenix commonly known as "Sugar Daddy's" for approximately \$520,000. The source of these funds came from the Line of Credit. The property was sold with proceeds amounting to \$1,520,597.88. Since this was designed as a 1031 exchange, the proceeds were used in 2010 to purchase Eric's interest in the Russell Road Property.

- 2) As indicated above, Eric had previously paid \$300,000 to pay down the Bank Loan which was secured by property in Utah. In addition, Eric paid off the mortgage on Cal's house amounting to \$400,000. Both amounts were paid from Eric's Line of Credit. These two amounts aggregating \$700,000 were then used as a credit towards the purchase price for Eric's interest.

3) Eric gave a credit amounting to \$522,138.47 which represented future agreements with Cal and the termination of any present verbal partnership agreements. This also included money on rental payments given to Cal.

4) The remaining amount to fulfill the obligation of the purchase price was to borrow \$1,257,263.67 from the Line of Credit in 2010.

Therefore the purchase of Eric's interest is comprised of the following:

Pay down of Bank Loan	\$ 300,000.00
Pay off of personal residence of Cal Nelson	400,000.00
Credit to Cal Nelson for prior payments	522,138.45
Amount to pay Bank Note from Sugar Daddy's	1,520,597.88
Amount to pay Bank Loan from Line of Credit	1,257,263.67
	<u>\$ 4,000,000.00</u>

Therefore the amount of cash contributed directly to the interest in the property by Eric in 2010, amounts to \$2,777,861.55 (1,520,597.88 + 1,257,263.67). The cash reportedly paid off the original loan held by Business Bank of Nevada.

According to CJE&L's tax returns and representations made by Cal Nelson, Cal Nelson's capital account includes \$855,000; which represents the purchase price of the land originally purchased on November 11, 1999 by the Lynita Nelson Trust as well as \$501,529 in leasehold improvements made by Cal's Blue Water Marine. The summary document supporting the leasehold improvements contribution was believed to be at cost and not the net depreciated value. As prior indicated Cal's Blue Water Marine eventually failed in 2008. Since the Business failure in 2008, Cal Nelson has taken distributions from CJE&L of \$11,096 in 2009 and \$73,978 in 2010, aggregating to \$85,074.

The current ownership of the 5220 E. Russell Road property is 50% by Eric Nelson Auctioneering (an asset of the Eric Nelson Trust), 15% by the Eric Nelson Trust and 35% by CJE&L, LLC. (See below).

Note 3a - 50% in Russell Road owned by Eric Nelson Auctioneering

In the purchase of the Russell Road Property, the ownership of 65% of the property purchase from CJE & L, LLC was described above to be \$4,000,000. Eric Nelson says that 50% of the interest was designated to be owned by Eric Nelson Auctioneering and the other 15% by the Eric Nelson Trust.

Note 3b - 15% sale back to Cal Nelson for 15% interest by Eric Trust

The 15% interest is evidenced by a note in the amount of \$2,000,000 the principal amount is due in seven years from 2/3/2010 from Cal Nelson to Eric Nelson Trust. The note is secured by 15% of the real property owned by CJE & L, LLC and 15% of all rents collected from the property will be recognized as interest on the note.

Note 3c - Receivable from CJE & L, LLC amounting to \$742,368.

According to the 2010 tax return of CJE&L, LLC (owned 99% by Nelson Nevada Trust (Cal's Trust) and 1% by Cal Nelson), the company reports a liability in the amount of \$742,368 is due to Eric Nelson Auctioneering (Reported under Eric Trust - Eric Nelson Auctioneering). We have not received information as to the nature of this note.

Because of the controversy on this property, it is recommended that an appraisal of the property be made directed by an independent third party.

At issue, Lynita believes that Cal Nelson has not put any capital into the investment and therefore the amount of this asset is 100% owned solely by Lynita and Eric Nelson.

Also at issue is that Lynita bought the land for \$855,000 and was forced to forfeit her interest through an assignment to Cal Nelson. This issue is over a guarantee made by Lynita on a flooring arrangement on boats for a company owned by Cal Nelson, named Cal's Blue Water Marine.

Subsequent Transaction

The property was sold to the Oasis Baptist Church, on 05/27/2011, prior to this transaction, the church held an option to purchase for \$6,500,000. The payments on the note were to begin on 09/01/2011. Until this date, the Oasis Baptist Church was to pay \$17,500 each month for the months of June, July, and August. Then starting on 09/01/2011 the Oasis Baptist Church will pay interest only at 6% on \$6,000,000 for 5 years and then will have a balloon payment due of \$6,500,000.

This contract was amended on 06/15/2011 because the Church could not get an exemption from property taxes unless they own the property. Therefore the original financial arrangement has been amended.

The Oasis Baptist Church needs additional improvements in order to bring their school over to the Russell Road property. In order to do this, they need an additional \$300,000 in funds for improvements to the property. Currently, they are paying \$20,000 per month space rental for them to conduct their school.

As of 06/15/2011, Julie Brown loaned \$300,000 to the Oasis Baptist Church and has a 1st Note/Deed on the property. ✓

A 2nd Note/Deed is placed on the property to recapture all back rents and taxes in the amount of \$295,000. The 2nd Note/Deed is shared 1/3rd to Eric Nelson Auctioneering, 1/3rd to the Eric Nelson Trust and 1/3rd to CJE&L, LLC.

Therefore the remaining amount of \$6,500,000 through subordination has become a 3rd Note/Deed in the favor of shared 1/3rd to Eric Nelson Auctioneering, 1/3rd to the Eric Nelson Trust and 1/3rd to CJE&L, LLC.

The current terms are to pay \$17,500 per month until 09/01/2011 and \$30,000 thereafter. However they may ask that the payments be extended to 12/01/2011 before they begin to pay \$30,000 per month for their purchase of the property.

We understand there is a servicing agreement to collect the mortgage payments. We do not know the entity that the servicing arrangement is contracted.

The servicing agency is an issue with Lynita.

Note 4 - Brianhead, Utah

The property located in Brianhead, Utah includes a cabin on 150 acres. In addition to the property and building, the ownership includes water rights.

Eric originally valued the asset at \$3,000,000 but now believes the property has a value of approximately \$2,000,000. Lynita states the property should bring \$2,000,000 at sale, which is her preference.

It appears there is an agreement on the value of this property. However, there is no agreement on the disposition of the asset. As a result, a third-party appraisal may be required to determine the value either party should pay to buy the other one out.

Note 5 - 3611 Lindell

This property is an office complex. The complex has 13,040 square feet and is the location of Eric Nelson offices. Eric collects the monthly rents as well as pays for the monthly maintenance.

Both income and expenses will be listed in the Sources of Income and Expenses report.

Since there is a disagreement about the value of the office building, it is recommended an appraisal by made of the property by an independent third party.

Note 6 - 5913 Pebble Beach

This property is owned by the LSN Nevada Trust and is occupied by Lynita's sister, Thelma. The mortgage of \$69,000 has been paid off and the property is currently unencumbered. It appears that neither party is interested in the property and may become a non-issue.

EXHIBIT D

Eric Nelson			
	Approximate Cash	1,159,769	As of 3/31/2011
Trust	AZ-29 Gateway Lots	139,500	Agreed Earlier
	Russell Road Property (65%)	4,000,000	Court Accepted
Individually	Family Members	35,000	Face Value
	Nikki Cvintavich	200,000	Face Value
Banone	2911 Bella Kathryn Circle (Residence)	1,602,171	Costs (Appraisal \$925,000)
	17 Nevada Rental Properties	1,184,236	Costs
	21 Arizona Rental Properties	629,221	Costs
	Notes Receivable	720,761	Face Value
Banone-AZ	8 Properties	284,122	Costs
Dynasty	Silver Slipper Casino	1,568,000	Settlement
	Mississippi Property (121.23 acres)	607,775	Appraisal
		12,130,555	
* SEE ATTACHED DISCRIPTION OF LIABILITIES			
Lynita Nelson			
	Approximate Cash	1,071,035	As of 3/31/2011
Trust	7065 Palmyra (Residence)	725,000	Preliminary Appraisal
	AZ-31 Gateway Lots	139,500	Agreed to Value Earlier
	5913 Pebble Beech (Sisters House)	75,000	Agreed to Value Earlier
	Wyoming - 200 acres	405,000	Appraisal
	830 Arnold Ave. Greenville, Miss	40,000	Agreed to Value Earlier
	Mississippi Property - RV Park	559,042	Appraisal
	Mississippi	870,193	Appraisal
	Grotta 16.67% (25.37 acres)	21,204	Appraisal (\$127,226)
		3,905,974	
Eric and Lynita (Each Trust owns 50%)			
Trust			
	Brianhead Cabin	985,000	Appraisal
	3611 Lindell (Office Complex)	1,145,000	Appraisal
	Mississippi Property (Emerald Bay)	560,900	Appraisal
		2,690,900	

EXHIBIT E

Utah Cabin - Brianhead Area

Eric reports that there is a verbal agreement with Eric's sister, Nola Harber, and her husband, Paul Harber, to not split up or sale property due to the pond and proximity to the Harber's property. No Value of liability stated

Wyoming Property

Eric reports a liability to Eric's brother and sister, Paul Nelson and Aleda Nelson, respectively, by proof of an operating agreement stating ownership in Wyoming Equestrian Estates, LLC. Agreement provided is not signed by either party. Property is currently titles in the LSN Nevada Trust as 100% owned.

MS Bay (200+ acres in Mississippi)

Eric reports a contingent liability due to wetland issues. No Value is given for liability

Eric reports a contingent liability relating to the Maness lawsuit of \$1,000,000 for slander of title. Letter from Eric's attorney Harold Duke indicates it is his belief the lawsuit is not of true merit. Maness' are currently seeking partial summary judgment.

Eric reports a contingent liability relating to Frank Soris whereby approximately 30 acres are currently titles to Frank Soris Family Trust. Eric represented to us that Frank Soris has deeded this property back to Dynasty but has not been recorded yet. Frank Soris' collateral has since been substituted by 20 homes in the Phoenix Arizona area.

Eric reports that DDJ has a \$1,000,000 lis pendens on Dynasty owned property.

Bob Martin loaned Dynasty \$200,000 and is secured by the 120 acres of Dynasty land

Harold Duke, attorney for Eric Nelson in Mississippi, has a claim for legal fees against Dynasty's 120 acres. No amount of fees has been determined

Cliff McCarlie has a 3% claim against 120 acres of Dynasty's land

Dynasty

Harold Duke, attorney for Eric Nelson in Mississippi, has a \$400,000 claim against Dynasty

DEF0014893

Grotta, LLC has an option as a percentage of ownership of 34% in Silver Slipper for an investment of \$500,000

Paul Nelson has an option as a percentage of ownership of 34% in Silver Slipper for cash call of \$81,000 plus interest in March 2007

Robert and Lana Martin has an option as a percentage of ownership of 34% in Silver Slipper for an investment of \$375,000

Mike Cure has an option as a percentage of ownership of 34% in Silver Slipper

Cliff McCarlie has an option as a percentage of ownership of 34% in Silver Slipper

Banone, LLC

Eric reports an agreement with Cal Nelson for profits from sale of assets/business percentages. A copy of an unsigned agreement has been provided.

Banone-AZ, LLC

Eric reports an agreement with Paul Nelson for profits from sale of assets/business percentages. A copy of an unsigned agreement has been provided.

Soris Transaction

Transferred approximately \$737,000 worth of houses against debt of approximately \$1,360,000. Has a contingent liability of \$623,000 if market value of houses does not meet the \$1,360,000.

Hideaway

Eric reports a threat of a lawsuit of \$3,000,000 by Mr. Bieri. No evidence of lawsuit filing as of 10/11/11

DEF0014894

EXHIBIT F

Related Individual	Total	2009	2010	2011	2012	Bertsch Explanation
		DEF006828-29	DEF006832-33	DEF06836-37	DEF006847-48	DEF006635-6640; DEF006766-70
Alada Nelson	207,099.52					Alada Nelson total reduced \$650,000 for documented loan repayments.
Direct Payments		236,468.52	620,631.00	0.00	0.00	1099 for \$23,600 (2009) provided. Reduced Mr. Bertsch's figure accordingly.
Brook Nelson	6,000.00	6,000.00	0.00	0.00	0.00	
Bryce Nelson	56,000.00	48,000.00	8,000.00	0.00	0.00	
Cal Nelson	256,700.00					
Cal's BMW		126,200.00	0.00	0.00	0.00	1099 for \$32,000 (2009) provided. Reduced Mr. Bertsch's figure accordingly.
Direct Payments		120,000.00	0.00	0.00	10,500.00	Reduced 2010 payment \$1,293,918.17 as Included in Russell Road transaction.
Carlene Gutierrez	30,000.00	10,000.00	20,000.00	0.00	0.00	
Chad Ramos	132,875.98					
CNR Real Estate		0.00	39,668.30	0.00	0.00	
Direct Payments		15,782.00	21,050.00	4,292.60	0.00	1099 for \$25,725 (2009) provided. Reduced Mr. Bertsch's figure accordingly.
Chelsea Nelson	15,317.06	9,500.00	5,817.06	0.00	0.00	
Chris Stromberg	36,766.02	0.00	17,252.00	0.00	19,514.02	
Eric T. Nelson	113,088.00					
Direct Payments		34,000.00	55,100.00	23,988.00	0.00	1099 for \$9,000 (2009) provided. Reduced Mr. Bertsch's figure accordingly.
Jesse Harber	28,025.00	25,025.00	0.00	1,000.00	2,000.00	
Kevin Bailey	80,103.00					
Direct Payments		27,424.00	51,000.00	1,679.00	0.00	
Lance Liu	90,489.73	48,000.00	8,000.00	19,811.77	14,677.96	
Paul Nelson	207,236.30					
Direct Payments		74,769.86	55,581.32	30,000.00	14,963.75	
Helath Insurance		14,983.55	16,726.07	0.00	211.75	
Rebecca Slaughtar	3,864.64	0.00	3,000.00	864.64	0.00	
Ryan Nelson	50,500.00					
Direct Payments		27,000.00	18,500.00	5,000.00	0.00	1099 for \$9,000 (2009) provided. Reduced Mr. Bertsch's figure accordingly.
Stacy Liu	15,000.00	10,000.00	5,000.00	0.00	0.00	
Total	1,329,065.25					

EXHIBIT G

Exhibit G - \$6,500,000 Russell

		Asset	Bertsch Report Value	Bertsch Report Notes	Adjustment	Award to Wife	Award to Husband	Notes
Eric Nelson								
		Approximate Cash	1,159,769	As of 3/31/2011	(1,079,769)		80,000	As of 8/20/2012
	Trust	AZ-29 Gateway Lots	139,500	Agreed Earlier			139,500	
		Russell Road Property (100%)	4,000,000	Court Accepted	2,500,000		6,500,000	(1)
		Back Rent/Taxes (100%)			295,000		295,000	(2)
		School/Improvements (100%)			300,000		300,000	(3)
	Individually	Family Members	35,000	Face Value			35,000	
		Nikki Cvintavich	200,000	Face Value			200,000	
	Banone	2911 Bella Kathryn Circle (Residence)	1,602,171	Costs (Appraisal \$925,000)	237,324		1,839,495	As of 3/31/2012
		17 Nevada Rental Properties (15 Actual)	1,184,236	Costs	(121,229)	911,841		(4)
		4412 Baxter, Las Vegas						
		5314 Clover Blossom Court, N Las Vegas						
		1301 Heather Ridge, N Las Vegas						
		6213 Anaconda, Las Vegas						
		1608 Rusty Ridge Lane, Henderson						
		2209 Farmouth Circle, Nevada (sold)					88,166	(5)
		3301 Terra Bella Drive, Nevada						
		4133 Compass Rose Way, Nevada						
		4601 Concord Village Dr, Nevada						
		4612 Sawyer Ave, Nevada						
		4820 Marnell Dr, Nevada						
		5113 Churchill Ave, Nevada						
		5704 Roseridge Ave, Nevada (sold)					63,000	(5)
		6301 Cambria Ave, Nevada						
		6304 Guadalupe Ave, Nevada						
		21 Arizona Rental Properties (23 Actual)	629,221	Costs	121,229	750,450		(4)
		Mesa Vista - Lot 67 (Deeded Back)						
		Mesa Vista (5 acres)						(6)
		Mesa Vista - Lot 68 (Deeded Back)						(6)
		1628 W Darrel Road, Arizona						
		1830 N 66th Drive, Arizona						
		1837 N 59th Street, Arizona						
		2220 W Tonto Street, Arizona						
		3225 W Roma Ave, Arizona						
		3307 W Thomas Road, Arizona						
		3332 N 80th Lane, Arizona						
		3415 N 84th Lane, Arizona						
		3424 W Bloomfield Road, Arizona						
		3631 N 81st Ave, Arizona						
		4141 N 34th Ave, Arizona						
		4541 N 76th Ave, Arizona						
		4816 S 17th Street, Arizona						
		5014 W Cypress Street, Arizona						
		5518 N 34th Drive, Arizona						
		6172 W Fillmore Street, Arizona						
		6202 S 43rd Street, Arizona						
		6720 W Cambridge Ave, Arizona						
		6822 W Wilshire Drive, Arizona						
		6901 W Coolidge Street, Arizona						
		Notes Receivable	720,761	Face Value		625,761		(4a)
		R&D Customer Builders-DMV Lot 16-17 (secured)						
		Advantage Construction - MV Lot 37 (secured)						
		Gerald & Linda Fixsen-MV Lot 52(secured)						
		Gerald & Linda Fixsen-MV Lot 53(secured)						
		Joe Williams & Sherry Fixsen-MV Lot 54(secured)						
		Bldco, Inc-MV Lot 61(secured)						
		Cary & Troy Fixsen-MV Lot 98(secured)						
		Amada & Chris Stromberg (secured by Condo In PA)						
		Michael & Lyndia Asquith-MV Lot 50 (secured)						
		JB Ramos Trust (secured by 436 Europa Way)						
		Katherine Stephens (secured by 1601 Knoll Heights)						
		Chad Ramos (secured 7933 Dover Shores)						
		Alida Harrison (secured by 1025 Academy)					95,000	
		Eric T Nelson (secured by 8619 W Mohave AZ)						
	Banone-AZ	8 Properties	284,122	Costs		284,122		
		4838 W Berkeley Rd, Arizona						
		8239 W Avalon Or, Arizona						
		2014 N 50th Dr, Arizona						
		5901 Clarendon Ave, Arizona						
		8135 W Sells Rd, Arizona						
		6911 W Monte Vista Rd, Arizona						
		1323 W Apache St, Arizona						
		4105 N 109th Dr, Arizona						

Exhibit G - \$6,500,000 Russell

	Asset	Bertsch Report Value	Bertsch Report Notes	Adjustment	Award to Wife	Award to Husband	Notes
Dynasty	Silver Slipper Casino	1,568,000	Settlement		1,568,000		(7)
	Mississippi Property (121.23 acres)	607,775	Appraisal			607,775	
Dynasty Dev Mgt LLC	Wyoming Downs Track - 50% - TBD						(8)
		12,130,555					
	*SEE ATTACHED DISCUSSION OF LIABILITIES						
Lynita Nelson							
	Approximate Cash	1,071,035	As of 3/31/2011	(871,055)	200,000		As of 8/20/2012
Trust	7065 Palmyra (Residence)	725,000	Preliminary Appraisal	25,000	750,000		Per Appraisal
	AZ-31 Gateway Lots	139,500	Agreed to Value Earlier		139,500		
	5913 Pebble Beech (Sisters House)	75,000	Agreed to Value Earlier		75,000		
	Wyoming - 200 acres	405,000	Appraisal		405,000		
	830 Arnold Ave. Greenville, Miss	40,000	Agreed to Value Earlier		40,000		
	Mississippi Property- RV Park	559,042	Appraisal		559,042		
	Mississippi	870,193	Appraisal		870,193		
	Grotta 16.67% (25.37 acres)	21,204	Appraisal (\$127,226)		21,204		
Dynasty Dev Mgt LLC	Wyoming Downs Track - 50% - TBD						(8)
		3,905,974					
Eric and Lynita (Each Trust owns 50%)							
Trust							
	Brianhead Cabin	985,000	Appraisal		985,000		
	3611 Lindell (Office Complex)	1,145,000	Appraisal		1,145,000		(9)
	Mississippi Property (Emerald Bay)	560,900	Appraisal		560,900		
		2,690,900					

Sub Total Assets	18,727,429	1,406,520	9,891,013	10,242,936
Equalization			175,961	(175,961)
Total Assets after Equalization			10,066,974	10,066,974
Attorney/Expert Fees - To Be Determined by Court				
Back Spousal Support - To Be Determined by Court				
Back Child Support			30,016	(30,016)
Waste Claim - \$1,329,065 (divided by 2)			664,532	(664,532)
Sub Total Reimbursements			694,548	(694,548)
Total Assets/Reimbursements exclusive of attorney/expert fees & back spousal support			10,761,522	9,372,426

- (1) Larry Bertsch number was court accepted prior to the sale of the property for \$6,500,000. The sale occurred on 5/27/11 to Oasis Baptist Church through a promissory note.
- (2) Per Nick Miller at Larry Bertsch's office, \$295,000 was a paper transaction only for the back rent & taxes. Back taxes of \$33,150 were possibly paid in the \$80,000 closing costs to Old Republic Title on 5/27/11.
- (3) Per Eric's testimony on 8/20/12, Eric L. Nelson NV Trust loaned \$300,000 to Oasis Baptist Church.
- (4) Property and Notes Receivable listed under Larry L. Bertsch Report dated 7/5/11 with bates stamp DEF006477 to DEF006480.
- (4a) At the time of Larry Bertsch's report, documentation on the notes were not obtained.
- (5) Both properties have been sold. Need proceeds from the sales.
- (6) Properties were moved from Nevada properties listed under Banone as they are located in Arizona. Adjustments have been made for the changes.
- (7) Cash at Oave Stephens Trust Account
- (8) Dynasty Development Management LLC is a new entity established by Eric during the divorce proceedings.
- (9) Lindell monthly rents number acquired from appraisal, assumes Eric pays \$3,200 a month.

EXHIBIT H

Exhibit H - 2/3 Russell

		Asset	Bertsch Report Value	Bertsch Report Notes	Adjustment	Award to Wife	Award to Husband	Notes
Eric Nelson								
		Approximate Cash	1,159,769	As of 3/31/2011	(1,079,769)		80,000	As of 8/20/2012
	Trust	AZ-29 Gateway Lots	139,500	Agreed Earlier			139,500	
		Russell Road Property (66.67%)	4,000,000	Court Accepted	333,550		4,333,550	(1)
		Back Rent/Taxes (66.67%)			196,677		196,677	(2)
		School/Improvements (100%)			300,000		300,000	(3)
	Individually	Family Members	35,000	Face Value			35,000	
		Nikki Cvintavich	200,000	Face Value			200,000	
	Banone	2911 Bella Kathryn Circle (Residence)	1,602,171	Costs (Appraisal \$925,000)	237,324		1,839,495	As of 3/31/2012
		17 Nevada Rental Properties (15 Actual)	1,184,236	Costs	(121,229)	911,841		(4)
		4412 Baxter, Las Vegas						
		5314 Clover Blossom Court, N Las Vegas						
		1301 Heather Ridge, N Las Vegas						
		6213 Anaconda, Las Vegas						
		1608 Rusty Ridge Lane, Henderson						
		2209 Farmouth Circle, Nevada (sold)					88,166	(5)
		3301 Terra Bella Drive, Nevada						
		4133 Compass Rose Way, Nevada						
		4601 Concord Village Dr, Nevada						
		4612 Sawyer Ave, Nevada						
		4820 Marnell Dr, Nevada						
		5113 Churchill Ave, Nevada						
		5704 Roseridge Ave, Nevada (sold)					63,000	(5)
		6301 Cambria Ave, Nevada						
		6304 Guadalupe Ave, Nevada						
		21 Arizona Rental Properties (23 Actual)	629,221	Costs	121,229	750,450		(4)
		Mesa Vista - Lot 67 (Deeded Back)						
		Mesa Vista (5 acres)						(6)
		Mesa Vista - Lot 68 (Deeded Back)						(6)
		1628 W Darrel Road, Arizona						
		1830 N 66th Drive, Arizona						
		1837 N 59th Street, Arizona						
		2220 W Tonto Street, Arizona						
		3225 W Roma Ave, Arizona						
		3307 W Thomas Road, Arizona						
		3332 N 80th Lane, Arizona						
		3415 N 84th Lane, Arizona						
		3424 W Bloomfield Road, Arizona						
		3631 N 81st Ave, Arizona						
		4141 N 34th Ave, Arizona						
		4541 N 76th Ave, Arizona						
		4816 S 17th Street, Arizona						
		5014 W Cypress Street, Arizona						
		5518 N 34th Drive, Arizona						
		6172 W Fillmore Street, Arizona						
		6202 S 43rd Street, Arizona						
		6720 W Cambridge Ave, Arizona						
		6822 W Wilshire Drive, Arizona						
		6901 W Coolidge Street, Arizona						
		Notes Receivable (Awarded to Husband)	720,761	Face Value			431,141	(4a)
		R&D Customer Builders-DMV Lot 16-17 (secured)						
		Advantage Construction - MV Lot 37 (secured)						
		Gerald & Linda Fixsen-MV Lot 52(secured)						
		Gerald & Linda Fixsen-MV Lot 53(secured)						
		Joe Williams & Sherry Fixsen-MV Lot 54(secured)						
		Bidco, Inc-MV Lot 61(secured)						
		Cary & Troy Fixsen-MV Lot 98(secured)						
		Amada & Chris Stromberg (secured by Condo in PA)						
		Michael & Lyndia Asquith-MV Lot 50 (secured)						
		Eric T Nelson (secured by 8619 W Mohave AZ)						
		Notes Receivable (Awarded to Wife)				289,620		(4a)
		JB Ramos Trust (secured by 436 Europa Way)						
		Katherine Stephens (secured by 1601 Knoll Heights)						
		Chad Ramos (secured 7933 Dover Shores)						
		Alicia Harrison (secured by 1025 Academy)						
	Banone-AZ	8 Properties	284,122	Costs		284,122		
		4838 W Berkeley Rd, Arizona						
		8239 W Avalon Dr, Arizona						
		2014 N 50th Dr, Arizona						
		5901 Clarendon Ave, Arizona						
		8135 W Sells Rd, Arizona						
		6911 W Monte Vista Rd, Arizona						
		1323 W Apache St, Arizona						

Exhibit H - 2/3 Russell

	Asset	Bertsch Report Value	Bertsch Report Notes	Adjustment	Award to Wife	Award to Husband	Notes
	4105 N 109th Dr, Arizona						
Dynasty	Silver Slipper Casino	1,568,000	Settlement		1,568,000		(7)
	Mississippi Property (121.23 acres)	607,775	Appraisal			607,775	
Dynasty Dev Mgt LLC	Wyoming Downs Track - 50% - TBD						(8)
		12,130,555					
	*SEE ATTACHED DISCRIPTION OF LIABILITIES						
Lynita Nelson							
	Approximate Cash	1,071,035	As of 3/31/2011	(871,035)	200,000		As of 8/20/2012
Trust	7065 Palmyra (Residence)	725,000	Preliminary Appraisal	25,000	750,000		Per Appraisal
	AZ-31 Gateway Lots	139,500	Agreed to Value Earlier			139,500	
	5913 Pebble Beech (Sisters House)	75,000	Agreed to Value Earlier			75,000	
	Wyoming - 200 acres	405,000	Appraisal		405,000		
	830 Arnold Ave. Greenville, Miss	40,000	Agreed to Value Earlier			40,000	
	Mississippi Property- RV Park	559,042	Appraisal		559,042		
	Mississippi	870,193	Appraisal		870,193		
	Grotta 16.67% (25.37 acres)	21,204	Appraisal (\$127,226)		21,204		
Dynasty Dev Mgt LLC	Wyoming Downs Track - 50% - TBD						(8)
		3,905,974					
Eric and Lynita (Each Trust owns 50%)							
Trust							
	Brianhead Cabin	985,000	Appraisal		985,000		
	3611 Lindell (Office Complex)	1,145,000	Appraisal		1,145,000		(9)
	Mississippi Property (Emerald Bay)	560,900	Appraisal		560,900		
		2,690,900					

Sub Total Assets	18,727,429	(858,253)	9,300,372	8,568,804
Equalization			(365,784)	365,784
Total Assets after Equalization			8,934,588	8,934,588
Attorney/Expert Fees - To Be Determined by Court				
Back Spousal Support - To Be Determined by Court				
Back Child Support			30,016	(30,016)
Waste Claim - \$1,329,065 (divided by 2)			664,532	(664,532)
Sub Total Reimbursements			694,548	(694,548)
Total Assets/Reimbursements exclusive of attorney/expert fees & back spousal support			9,629,136	8,240,040

- (1) Larry Bertsch number was court accepted prior to the sale of the property for \$6,500,000. The sale occurred on 5/27/11 to Oasis Baptist Church through a promissory note.
- (2) Per Nick Miller at Larry Bertsch's office, \$295,000 was a paper transaction only for the back rent & taxes. Back taxes of \$33,150 were possibly paid in the \$80,000 closing costs to Old Republic Title on 5/27/11.
- (3) Per Eric's testimony on 8/20/12, Eric L. Nelson NV Trust loaned \$300,000 to Oasis Baptists Church.
- (4) Property and Notes Receivable listed under Larry L. Bertsch Report dated 7/5/11 with bates stamp DEF006477 to DEF006480.
- (4a) At the time of Larry Bertsch's report, documentation on the notes were not obtained.
- (5) Both properties have been sold. Need proceeds from the sales.
- (6) Properties were moved from Nevada properties listed under Banone as they are located in Arizona. Adjustments have been made for the changes.
- (7) Cash at Dave Stephens Trust Account
- (8) Dynasty Development Management LLC is a new entity established by Eric during the divorce proceedings.
- (9) Lindell monthly rents number acquired from appraisal, assumes Eric pays \$3,200 a month.

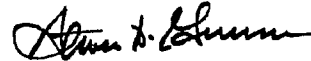
Exhibit “G”

EXHIBIT B1

2009 through 2012 Consolidated Totals

Source & Application of Rental/Interest Income		2009 - 2012 Total	2009 Total	2010 Total	2011 Total	3 1/2 Months of 2012
Sources						
Rental & Interest Income						
	Banone Houses	1,394,207.57	392,456.43	494,626.47	382,208.40	124,916.27
	Lindell	341,971.35	115,096.00	91,527.35	110,148.00	25,200.00
	Note Interest Income	259,633.80	142,126.49	63,529.03	44,183.35	9,794.93
	Arnold Rent	14,235.19	4,594.70	2,662.88	5,254.46	1,723.15
	RV Park	42,793.09	38,158.09	-	4,635.00	-
	Total Rental & Interest Income	2,052,841.00	692,431.71	652,345.73	546,429.21	161,634.35
Applications						
Rental Expenses						
	Rental Expenses	499,578.90	329,361.92	78,484.28	69,265.81	22,466.89
	Taxes	379,870.15	142,497.18	130,794.78	64,369.94	42,208.25
	Lindell Expenses	71,204.27	33,545.67	24,014.40	8,758.25	4,885.95
	HOA Fees	34,028.77	14,755.49	14,926.08	3,815.20	532.00
	Insurance	43,336.38	24,745.37	17,023.35	1,567.66	-
	Total Rental Expenses	1,028,018.47	544,905.63	265,242.89	147,776.86	70,093.09
	Income/Loss for Rental/Interest	1,024,822.53	147,526.08	387,102.84	398,652.35	91,541.26
Source & Application of Other Income & Expenses						
Sources						
	Related Individuals	419,598.83	267,092.56	24,169.27	116,670.00	11,667.00
	Sale of Real Estate	6,250,616.46	3,702,030.75	2,086,354.10	352,231.61	110,000.00
	Silver Slipper & Hideaway Income	456,349.27	163,805.29	155,952.85	97,044.01	39,547.12
	Redemption of CD	2,504,535.34	2,504,535.34	-	-	-
	Eric Nelson	1,060,095.59	998,800.00	60,795.59	300.00	200.00
	Other Income	3,188,929.11	2,800,405.97	180,422.24	12,214.65	195,886.25
	Total Sources of Income	13,880,124.60	10,436,669.91	2,507,694.05	578,460.27	357,300.37
Applications						
	Investments	9,104,348.77	8,846,467.56	257,881.21	-	-
	Professionals	809,107.32	72,569.44	303,058.66	423,479.22	10,000.00
	Oasis Baptist Church (Russell Road) (Asset)	380,813.99	-	-	380,813.99	-
	Eric Nelson Draws and Expenses	697,476.29	200,884.69	256,218.51	193,953.55	46,419.54
	Children Expenses	407,392.13	100,902.35	145,566.83	139,363.15	21,559.80
	Related Individuals	3,900,115.29	1,336,784.69	2,382,495.36	117,988.04	62,847.20
	Company Operating Expenses	594,500.72	305,645.18	136,299.39	128,352.91	24,203.24
	Bella Kathryn Improvements & Expenses (Eric's Residence)	1,839,494.79	402,000.00	1,257,047.67	99,866.64	80,580.48
	Credit Cards	37,329.59	15,373.37	-	11,000.00	10,956.22
	Wyoming Downs (Asset)	80,800.00	-	-	76,000.00	4,800.00
	Other Individuals	502,173.52	298,793.02	105,160.27	64,907.11	33,313.12
	Soris Enterprises & Larsen Company	443,672.85	199,600.00	179,558.72	63,719.13	795.00
	Health/Life Insurance	75,189.41	11,952.01	14,899.85	40,850.45	7,487.10
	Lynita Nelson	89,517.12	65,505.94	13,003.58	10,763.60	244.00
	Vehicles	26,321.26	10,290.42	5,903.00	8,479.48	1,648.36
	Toler Marine, Inc	3,000.00	-	-	3,000.00	-
	Other Expenses	28,723.94	23,195.99	3,027.95	-	2,500.00
	Total Applications	19,019,976.99	11,889,964.66	5,060,121.00	1,762,537.27	307,354.06
	Income/(Loss) for Other Income & Expenses	(5,139,852.39)	(1,453,294.75)	(2,552,426.95)	(1,184,077.00)	49,946.31
Investment Account & Line of Credit						
	Deposits from Line of Credit & Mellon Account	7,918,202.04	3,640,000.00	2,997,368.17	1,032,000.00	248,833.87
	Payments towards Line of Credit & Mellon Account	6,250,000.00	4,950,000.00	1,050,000.00	250,000.00	-
	Net Deposits/(Payments)	1,668,202.04	(1,310,000.00)	1,947,368.17	782,000.00	248,833.87
Net Cash Surplus/(Deficit) for All Sources		(2,446,827.82)	(2,615,768.67)	(217,955.94)	(3,424.65)	390,321.44

Exhibit “F”



CLERK OF THE COURT

1 ORDR
2 THE DICKERSON LAW GROUP
3 ROBERT P. DICKERSON, ESQ.
4 Nevada Bar No. 000945
5 KATHERINE L. PROVOST, ESQ.
6 Nevada Bar No. 008414
7 1745 Village Center Circle
8 Las Vegas, Nevada 89134
9 Telephone: (702) 388-8600
10 Facsimile: (702) 388-0210
11 Email: info@dickersonlawgroup.com

12 Attorneys for Defendant/Counterclaimant
13 LYNITA SUE NELSON

14
15 DISTRICT COURT
16 FAMILY DIVISION
17 CLARK COUNTY, NEVADA
18

19 ERIC L. NELSON,
20 Plaintiff/Counterdefendant,
21
22 v.
23 LYNITA SUE NELSON,
24 Defendant/Counterclaimant.
25

26 CASE NO. D-09-411⁵37-D
27 DEPT NO. "0" L

28 ORDER

29 This matter coming on for hearing on this 2nd day of March 2011, before the
30 Honorable Judge Frank P. Sullivan, upon DEFENDANT's MOTION FOR
31 TEMPORARY SUPPORT, FOR RELEASE OF INFORMATION, FOR AN AWARD
32 OF ATTORNEYS FEES AND RELATED RELIEF; PLAINTIFF's OPPOSITION TO
33 DEFENDANT's MOTION and COUNTERMOTION TO REQUIRE DEFENDANT
34 TO SHARE IN COMMUNITY LIABILITIES, FOR SCHEDULING OF TEN (10)
35 TRAIL DATES CERTAIN IN SEPTEMBER/OCTOBER 2011, FOR CERTAIN
36 RELIEF REGARDING THE "MISSISSIPPI" INVESTMENT, FOR SANCTIONS

1 AND ATTORNEYS FEES AND COSTS; and simultaneously for hearing on
2 DEFENDANT'S EXTENSION OF TPO IN CASE T-11-131443 and PLAINTIFF'S
3 MOTION TO DISSOLVE TPO, and ROBERT P. DICKERSON, ESQ., and
4 KATHERINE L. PROVOST, ESQ., of THE DICKERSON LAW GROUP, appearing
5 on behalf of Defendant, LYNITA NELSON, and Defendant being present; DAVID A.
6 STEPHENS, ESQ., of STEPHENS, GOURLEY & BYWATER, P.C., and JAMES J.
7 JIMMERSON, ESQ., of JIMMERSON HANSEN, P.C., appearing on behalf of
8 Plaintiff, ERIC NELSON, and Plaintiff being present; and the Court having reviewed
9 the pleadings and papers on file herein, and having heard the arguments of counsel and
10 the parties, and good cause appearing, issues the following orders:

11 IT IS HEREBY ORDERED ADJUDGED and DECREED, that the TPO is
12 extended for six (6) months, until September 2, 2011;

13 IT IS FURTHER ORDERED that Plaintiff may pick up the minor child, Carli
14 Nelson, from Las Vegas Day School and may pick up the minor children, Carli and
15 Garrett Nelson, from church located at Monte Cristo and Oakey. The honk and
16 seatbelt rule shall be utilized and enforced.

17 IT IS FURTHER ORDERED that Plaintiff may attend the minor children's
18 sporting events at various locations. However, Plaintiff is not to approach, harass, or
19 confront the Defendant. While attending sporting events Plaintiff is to sit on the
20 opposite side of where Defendant is seated.

21 IT IS FURTHER ORDERED that Plaintiff may contact the children directly via
22 their cell phones or text concerning changes to the children's schedules.

23 IT IS FURTHER ORDERED that all prior orders contained in the TPO,
24 including all orders as to the 100 yards distance to be maintained, stand.

25 IT IS FURTHER ORDERED that the hearing on Defendant's Motion for Order
26 to Show Cause set for March 21, 2011 stands.

27 ...

28 ...

1 ITS IS FURTHER ORDERED that the Court will appoint a forensic accountant
2 to review the financial records at issue in this litigation. Counsel will be notified once
3 the Court has appointed its forensic accountant.

4 IT IS FURTHER ORDERED that Defendant is entitled to all information
5 concerning the "Mississippi" assets, including information relating to the parties'
6 interest in the Silver Slipper casino operations. Defendant may contact and speak with
7 Paul Alanis and any other individual with knowledge of and information pertaining to
8 the "Mississippi" assets.

9 IT IS FURTHER ORDERED that the issues of spousal support and attorneys
10 fees are continued pending the issuance of a report by the Court's appointed forensic
11 accountant.

12 IT IS FURTHER ORDERED that a Return Hearing on the appointment of the
13 Court's forensic accountant is set for hearing on March 21, 2011 at 1:30 p.m.

14 DATED this 24 day of May, 2011.

15
16 
DISTRICT COURT JUDGE 

17 Approved as to Form and Content:

Submitted by:

18 STEPHENS, GOURLEY & BYWATER

THE DICKERSON LAW GROUP

19
20 By 

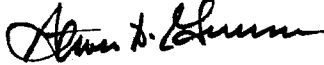
By 

21 DAVID A. STEPHENS, ESQ.
22 Nevada Bar No. 000902
3636 N. Rancho Drive
Las Vegas, Nevada 89130
23 Attorneys for Plaintiff

ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

Exhibit “E”

MOT
THE DICKERSON LAW GROUP
ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Telephone: (702) 388-8600
Facsimile: (702) 388-0210
Email: info@dickersonlawgroup.com


CLERK OF THE COURT

Attorneys for Defendant

DISTRICT COURT
FAMILY DIVISION
CLARK COUNTY, NEVADA


ERIC L. NELSON,

Plaintiff,

v.

LYNITA SUE NELSON,

Defendant.

CASE NO. D-09-411537-D
DEPT.  L

02/22/2011
10:30 AM

NOTICE: YOU ARE REQUIRED TO FILE A WRITTEN RESPONSE TO THIS MOTION WITH THE CLERK OF THE COURT AND TO PROVIDE THE UNDERSIGNED WITH A COPY OF YOUR RESPONSE WITHIN TEN (10) DAYS OF YOUR RECEIPT OF THIS MOTION. FAILURE TO FILE A WRITTEN RESPONSE WITH THE CLERK OF THE COURT WITHIN TEN (10) DAYS OF YOUR RECEIPT OF THIS MOTION MAY RESULT IN THE REQUESTED RELIEF BEING GRANTED BY THE COURT WITHOUT HEARING PRIOR TO THE SCHEDULED HEARING DATE.

**MOTION FOR TEMPORARY SUPPORT, FOR RELEASE OF INFORMATION,
FOR AN ORDER ENJOINING ERIC FROM TAKING CERTAIN ACTIONS,
FOR MONITORING BY THIS COURT OR APPOINTMENT OF A RECEIVER,
AND FOR AN AWARD OF ATTORNEYS FEES**

COMES NOW Defendant, LYNITA SUE NELSON, by and through her attorneys, ROBERT P. DICKERSON, ESQ., and KATHERINE L. PROVOST, ESQ., of THE DICKERSON LAW GROUP and respectfully moves this Honorable Court for the following relief:

1
2 1.) An order requiring Plaintiff, ERIC L. NELSON ("Eric") to equally divide all income
3 received from the parties' commercial building ("Lindell"), rental properties ("BanOne"), notes
4 receivable ("Notes") and commercial lease ("Russell Road") with Defendant, LYNITA S. NELSON
5 ("Lynita") during the pendency of this action as and for temporary spousal support;

6 2.) An order requiring Eric to sign a written authorization allowing Paul Alanais to
7 release all information relating to the Silver Slipper to Lynita, or if Eric will not do so, a Court Order
8 authorizing such release;

9 3.) An order enforcing the Joint Preliminary Injunction and enjoining Eric from further
10 encumbering any of the parties' assets or negotiating any additional "deals" which have a negative
11 impact on the income to be received during the pendency of this action;

12 4.) An order requiring Eric to pay to The Dickerson Law Group attorneys fees in the
13 amount of \$50,000 for the cost of bringing this motion and the cost of future trial proceedings; and

14 5.) Any other orders that this Court deems necessary and appropriate.

15 This Motion is made and based upon the records, files and pleadings on file herein, the Points
16 and Authorities submitted herewith, the Affidavits submitted in support of this motion, and such
17 other and further evidence as may be adduced at the hearing of this matter.

18 DATED this 18th day of January, 2011.

19 THE DICKERSON LAW GROUP

20
21 By 

22 ROBERT P. DICKERSON, ESQ.
23 Nevada Bar No. 000945
24 KATHERINE L. PROVOST, ESQ.
25 Nevada Bar No. 008414
26 1745 Village Center Circle
27 Las Vegas, Nevada 89134
28 Attorneys for Defendant

1 NOTICE OF MOTION

2 PLEASE TAKE NOTICE that the under signed will bring the foregoing MOTION FOR
3 TEMPORARY SUPPORT, FOR RELEASE OF INFORMATION, FOR AN ORDER ENJOINING
4 ERIC FROM TAKING CERTAIN ACTIONS, FOR MONITORING BY THIS COURT OR
5 APPOINTMENT OF A RECEIVER, AND FOR AN AWARD OF ATTORNEYS FEES on for
6 hearing before the above-entitled Court, on the 22nd day of February 2011, at the
7 hour of 10:30 a.m./p.m., or as soon thereafter as counsel may be heard.

8 DATED this 18th day of January, 2011.

9 THE DICKERSON LAW GROUP

10
11 By 

12 ROBERT P. DICKERSON, ESQ.
13 Nevada Bar No. 000945
14 KATHERINE L. PROVOST, ESQ.
15 Nevada Bar No. 008414
16 1745 Village Center Circle
17 Las Vegas, Nevada 89134
18 Attorneys for Defendant
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1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. Pertinent Facts

3 Plaintiff, Eric L. Nelson ("Eric") and Defendant, Lynita Sue Nelson ("Lynita") were married
4 on September 17, 1983. They have been married for more than 27 years. During this lengthy
5 marriage the parties have been blessed with five children. Three of the parties' children are now
6 adults. Custody of the remaining two (2) minor children was resolved by the parties' Stipulated
7 Parenting Agreement, signed October 15, 2008 and entered as an Order of this Court February 8,
8 2010. Pursuant to their Parenting Agreement, Lynita has primary physical custody of the minor
9 children, subject to Eric's right of visitation as specified in the Parenting Agreement.

10 As this Court is well versed in the extent of the parties' assets after eight (8) days of trial, and
11 the difficulties counsel has had in attempting to reach an amicable settlement to date, Lynita will
12 refrain from once again reciting such information. Suffice it to say, even after months of discovery,
13 multiple days of mediation with Robert Gaston, multiple days of trial, and two (2) separate efforts
14 by this Court to facilitate settlement, this case remains far from conclusion.

15 As was the case for the duration of the parties marriage, Eric remains in sole control of all
16 but one of the parties' income producing assets. The sole asset which Lynita has any control over
17 and may draw upon being the Charles Schwab/Capstone Capital account which is titled solely in her
18 name. Since the inception of this case Eric alone has had the benefit of accessing and utilizing the
19 income received from the parties' assets. Specifically, Eric has been (or should have been)¹
20 receiving monthly income from the parties' commercial building ("Lindell")², numerous rental
21 properties in Nevada and Arizona ("BanOne")³, Notes receivable ("Notes"), and commercial lease

22
23 1 As this Court is well aware, Eric frequently cuts deals with family members and business partners if such deals benefit
24 him personally. Such deals include allowing family and friends to occupy real property owned by the parties for
significant periods of time without requiring the payment of rent.

25 2 Eric's testimony and exhibits indicate that the total rents received monthly from the Lindell commercial building are
26 \$7,374. However, Eric continues to occupy 3,600 square feet of space in the Lindell commercial building without paying
rent. This Court should attribute a reasonable rent to Eric of \$1,000 per month and include this figure in the total rents
to be equally divided between Eric and Lynita during the pendency of this action.

27 3 Lynita believes the total rents received monthly from the BanOne rental properties are approximately \$27,650. Eric
28 should be required to equally divide all rents received from the BanOne rental properties with Lynita and should provide
Lynita with a detailed monthly accounting of all such rents received.

1 (“Russell Road”)⁴. Eric has testified at trial that he has used some of this income to purchase and
2 improve his residence at 2911 Bella Kathryn Circle from the \$382,000 value at time of purchase in
3 December 2009 to the approximately \$1.3 million plus⁵ home it is today. While Eric has utilized
4 community funds to improve his situation, the end result of his actions is to reduce the cash available
5 to the community at the conclusion of this divorce. Further, while Eric has had the benefit of living
6 from income generated by the community, Lynita’s sole source of support during these proceedings
7 has been the Charles Schwab/Capstone Capital account which is titled solely in her name. Lynita
8 has received minimal financial support from Eric⁶ since the start of this divorce. Rather, Eric has
9 required her to live from the monies in the Charles Schwab/Capstone Capital account, once again
10 reducing the cash available to the community at the conclusion of this divorce.

11 During the November 16, 2010 trial setting, the Court heard testimony from Paul Alanais,
12 managing partner of the Silver Slipper Casino (“Silver Slipper”), in which the parties maintain an
13 interest. Prior to this court appearance Mr. Alanais had appeared for his deposition and willingly
14 provided Lynita and her counsel with information pertaining to the operation of the Silver Slipper
15 and its finances. However, within days of his trial appearance, Mr. Alanais was instructed by Eric
16 not to share any information with Lynita. Mr. Alanais has informed Lynita that while he is “more
17 than happy to share all current information with [her]” he cannot do so because Eric has “chastized
18 [him] regarding giving information to [her] or [her] attorney, asserting that [she is] not a partner.”
19 Mr. Alanais recognizes Lynita and her counsel have a right to know what is going on with the Silver
20 Slipper but feels his hands are tied and he has “been given no alternative at this point by Eric.” *See*
21 **Exhibit A.**

22 Further, in December 2010, Eric, on behalf of Dynasty Development Group, LLC (a
23 community asset) notified Mr. Alanais that he was rejecting the 2011 Annual Plan for the Silver
24

25 4As of January 1, 2011 the total rents received which should have been received monthly under this lease are \$30,000.

26 5 As of the filing of this motion it is unknown how much of the parties’ community funds Eric has placed into improving
27 the Bella Kathryn property. The 1.3 million figure included in this motion is as of the last known estimate provided by
28 Eric.

6All financial support from Eric stopped in 2009.

1 Sipper casino. As a result of this rejection, Eric received a Buy/Sell Notice from Mr. Alanais on
2 behalf of the Silver Slipper. See **Exhibit B** attached. The effect of this Buy/Sell Notice is
3 detrimental to the community as it will likely result in the community's interest in the Silver Slipper
4 casino either being purchased for far below its true value or being lost all together. Additionally, as
5 evidenced by Eric's text to Lynita sent January 12, 2011, Eric is now alleging he will be liening
6 assets subject to distribution in this divorce action, up to \$10,000,000 to "take on Paul SS." See
7 **Exhibit C** attached.

8 This Court has seen firsthand Eric's numerous attempts to control every aspect of this divorce
9 and to control Lynita throughout this divorce, just as he controlled her during their marriage. Eric's
10 directive to Mr. Alanais and his continued decision to encumber the parties' assets all in the name
11 of his "normal course of business" is now, in Eric's own words, anticipated to have a "profound
12 effect" on the assets available for division upon conclusion of this divorce action and will further
13 bind Lynita and this Court as attempts to resolve this action continue. This Court's immediate
14 intervention is necessary so as to allow Lynita and her counsel access to vital information regarding
15 community assets, to protect the parties' assets from further dissipation by Eric, and to provide
16 Lynita with a source of income from which she can continue to support herself and the parties'
17 children for the duration of this action as it is clear that this divorce will not soon be over.

18 **II. Lynita is Entitled to Temporary Spousal Support**

19 Lynita is financially dependent upon Eric and the community's assets for her support. She
20 is without professional skills with which to support herself and is financially unable to support
21 herself or the parties' minor children without access to community assets. Eric has enjoyed sole use
22 of all rental income received from the Lindell commercial building, BanOne rental properties, Notes
23 and Russell Road commercial lease for the duration of these proceedings. Rather than share any of
24 the income he receives with Lynita, Eric utilizes these funds as he alone desires. Lynita has been
25 supporting herself and the parties' minor children by drawing upon the Charles Schwab/Capstone
26 Capital account held in her sole name. As shown on the Financial Disclosure Form submitted by
27 Lynita in support of this motion, Lynita's monthly need to support her lifestyle is arguably
28 \$42,962.11 (inclusive of the attorneys fees she is now being forced to expend due to Eric's inability

1 to settle this case in a fair and equitable manner) or at least \$30,462 (if monthly attorneys fees are
2 taken out of the equation). See **Exhibit D**, final row. This lifestyle is akin to the lifestyle which Eric
3 and Lynita lived and shared at the time of their separation in 2007 and in years prior to their
4 separation. See **Exhibit D**, next to last row.

5 Attached as **Exhibit E** is a spreadsheet prepared by Melissa Attanasio identifying the
6 monthly income the parties' should be receiving from their assets (exclusive of expenses). Attached
7 as **Exhibit F** is a spreadsheet provided by Eric purportedly detailing the Note payments/Rents he has
8 received as of January 12, 2011. A quick comparison of these two documents confirms that Eric has
9 failed to list numerous income producing assets on his spreadsheet, most likely because he does not
10 feel it necessary to either apprise Lynita of this income or to share it with her. While Ms. Attanasio
11 has calculated that Eric has been, or should be receiving monthly income (exclusive of expenses)
12 of \$70,063, Eric's spreadsheet alleges he is only receiving \$1,510 per month.⁷

13 Interestingly, Eric's spreadsheet also indicates that one of the parties' assets, a note receivable
14 to Keith Little, secured by a piece of real property located at 7817 Leavorite was paid off in
15 September 2010, Eric did not mention this at any time to Lynita, her counsel, or Ms. Attanasio, and
16 apparently felt it appropriate to keep the entire \$127,900.90 which he received from Mr. Little for
17 himself. Additionally, while Eric claims to be living off his savings and receiving only \$1,510 per
18 month in income, he has informed Lynita that he is taking the parties' children on a 21 day trip to
19 Europe this summer.

20 Lynita should not be forced to diminish the Charles Schwab/Capstone Capital account any
21 further as it remains one of the few sources of cash which will remain available for the Court to
22 award to Lynita upon conclusion of this divorce. Rather, Eric should be equally dividing the rental
23 income received from the Lindell commercial building, BanOne rental properties, and Russell Road

24 ...

25 ...

26 ...

27

28 ⁷ As of December 31, 2010.

1 commercial lease with Lynita so as to provide her with a temporary source from which to support
2 herself and the parties' children.⁸

3 N.R.S. section 125.040(1), expressly provides, in pertinent part, as follows:

4 1. In any suit for divorce the court may, in its discretion, upon
5 application by either party and notice to the other party, require either party to pay
6 moneys necessary to assist the other party in accomplishing one or more of the
7 following:

8 (a) To provide temporary maintenance for the other party;

9 2. The court may make any order affecting property of the parties, or
10 either of them, which it may deem necessary or desirable to accomplish the purposes
11 of this section. Such orders shall be made by the court only after taking into
12 consideration the financial situation of each of the parties.

13 In light of this statutory authority providing for the payment of "temporary maintenance"
14 during the pendency of a divorce action, the Nevada Supreme Court has given the trial courts a guide
15 to determine a wife's entitlement to an appropriate order awarding her such support. In *Engbregson*
16 *v. Engbregson*, 75 Nev. 237, 338 P.2d 75 (Nev. 1959), our Supreme Court, in upholding the trial
17 court's award of temporary support, stated and held as follows:

18 In our opinion, the statute [N.R.S. 125.040] does not limit awards of
19 temporary alimony to those cases where the wife is destitute or practically so. It
20 contemplates such awards when the facts, circumstances, and situation of the parties
21 are such that in fairness to the wife she should be given financial assistance for her
22 support during the pendency of the action.

23 *Engbregson*, 75 Nev. at 240. In *Heim v. Heim*, 104 Nev. 605, 763 P.2d 678 (1988), the Nevada
24 Supreme Court further enunciated principles that are helpful in determining the nature of an award
25 of alimony. For example, the Court stated that an award of spousal support "must be fairly related
26 to the 'respective merits' of the parties and to the 'condition in which they will be left by the divorce.'" *Heim*, 104 Nev. at 608 (emphasis added).

27 Following conclusion of this divorce, whenever that may be, there will be limited cash
28 available to award Lynita. Lynita does not have the business acumen developed by Eric over many

29 ⁸ Lynita recognizes that there are certain fixed expenses tied to these assets. Deduction of true fixed expenses prior to
30 equal division of rents is acceptable to Lynita provided she is afforded a detailed monthly accounting of all such
31 expenses. This Court is requested to remain involved and provide oversight for this issue should a dispute later exist
32 concerning the legitimacy of any expense deduction.

1 years and will likely need to support herself post-divorce with income produced by the assets
2 awarded to her upon completion of this divorce. Lynita should be equally sharing in a known
3 income source for her support during the pendency of this case, not diminishing one of the few
4 remaining cash accounts which are left. For this reason Lynita seeks an Order from this Court
5 requiring Eric to equally divide the income received from the Lindell commercial building, BanOne
6 rental properties, and Russell Road commercial lease with her during the pendency of this action as
7 and for temporary spousal support.

8
9 III. Eric Should be Admonished Against Further Interference and Must Be Required to Sign All
Necessary Authorizations to Allow Lynita Access to Information

10 Whether Eric likes it or not, all of the parties' assets, including their interest in the Silver
11 Slipper Casino⁹ are community in nature. To ensure Lynita and her counsel are aware of what is
12 happening with this valuable asset, which Eric himself has indicated is complex in nature and ever
13 evolving, Eric must be required to authorize Paul Alanais to share all information pertaining to the
14 Silver Slipper with Lynita and her counsel. As Eric has unilaterally placed a moratorium on the prior
15 sharing of information by Mr. Alanais and Lynita, Lynita now seeks this Court's intervention and
16 assistance. Lynita respectfully requests that Eric be admonished for interfering with the sharing of
17 information regarding the Silver Slipper and seeks an Order requiring Eric to sign a written
18 authorization allowing Paul Alanais to release all information relating to the Silver Slipper to Lynita,
19 or if Eric will not do so, a Court Order authorizing such release.

20
21 IV. The Joint Preliminary Injunction Should Be Enforced and Eric Should Be Prohibited From
22 Further Encumbering Any of the Parties' Assets or Negotiating any Additional "Deals"
Which Have a Negative Impact on the Income to be Received During the Pendency of this
Action

23 Despite prior admonishment from this Court, Eric continues to do as he pleases with respect
24 to the parties' assets. His justification for his actions, that he is acting "in the normal course of
25 business." In making such decisions as to make deals to once again reduce the rental income
26

27 9 The parties' interest in the Silver Slipper is held through Dynasty Development Group. Eric has recently asserted that
28 he alone has an interest in the Silver Slipper as this asset was his pursuant to his separate property trust. This Court has
previously indicated its belief that all assets of the parties are community and not separate.

1 received from Russell Road (tenant was obligated to pay \$30,000 per month rent as to January 2011
2 but Eric has agreed to reduce the rent to \$17,500) and encumber assets to obtain a \$10,000,000 loan
3 to "take on Paul SS" Eric relies upon the language of the JPI which states as follows:

4 **YOU ARE HEREBY PROHIBITED AND RESTRAINED FROM:**

5 **1. Transferring, encumbering, concealing, selling or otherwise disposing of any of**
6 **your joint, common or community property of the parties, or any property which is the subject**
7 **of a claim of community interest, except in the usual course of business or for the necessities of**
8 **life, without the written consent of the parties or the permission of the court.**

9 While Lynita respects Eric as a successful businessman, Eric continues to make decisions
10 which are detrimental to Lynita and the community all in the name of what he states is the "usual
11 course of business." Lynita can see no justification for once again delaying payment of rents due on
12 the Russell Road property nor for encumbering assets which are subject to division by this Court at
13 the time of divorce so Eric can engage in what can only be classified as a battle of machismo against
14 Mr. Alanais and the other partners of the Silver Slipper casino venture.

15 NRS 125.040 provides, in pertinent part, as follows:

16 1. In any suit for divorce the court may, in its discretion, upon
17 application by either party and notice to the other party, require either party to pay
18 moneys necessary to assist the other party in accomplishing one or more of the
19 following:

- 20 (a) To provide temporary maintenance for the other party;
21 (b) To provide temporary support for children of the parties; or
22 (c) To enable the other party to carry on or defend such suit.

23 2. *The court may make any order affecting property of the parties, or*
24 *either of them, which it may deem necessary or desirable to accomplish the*
25 *purposes of this section. Such orders shall be made by the court only after taking*
26 *into consideration the financial situation of each of the parties.*

27 (Emphasis added).

28 NRS 33.010 adds, in pertinent part, as follows:

An injunction may be granted in the following cases:

* * *

1 2. When it shall appear by the complaint or affidavit that the
2 commission or continuance of some act, during the litigation, would produce
3 great or irreparable injury to the plaintiff.

4 3. When it shall appear, during the litigation, that the defendant
5 is doing or threatens, or is about to do, or is procuring or suffering to be done,
6 some act in violation of the plaintiff's rights respecting the subject of the
7 action, and tending to render the judgment ineffectual.

8
9 Finally, NRS 125.050 provides as follows:

10 If, after the filing of the complaint, it is made to appear probable to the court
11 that either party is about to do any act that would defeat *or render less effectual any*
12 *order which the court might ultimately make concerning the property or pecuniary*
13 *interests*, the court shall make such restraining order or other order as appears
14 necessary to prevent the act or conduct and preserve the status quo pending final
15 determination of the case.

16 (Emphasis added).

17 Lynita requests that this Court enforce the Joint Preliminary Injunction which is already in
18 place and enjoin Eric from further encumbering any of the parties' assets or negotiating any
19 additional "deals" which have a negative impact on the income to be received during the pendency
20 of this action. Such action is immediately necessary as Eric has breached his fiduciary duties to
21 Lynita and is acting against the best interests of the community. Eric has taken actions which cut
22 off Lynita's access to information regarding the Silver Slipper, has cut (or soon will cut) a "deal" that
23 again reduces community income from Russell Road, and will encumber assets which are subject
24 to equal division at the time the parties' divorce is finalized.

25 IV. The Court Should Personally Monitor Eric's Business Activities of Appoint a Receiver to
26 Act in this Capacity

27 Without action by this Court, Lynita's interest in community assets may be irreparably
28 injured. While Lynita and her counsel have made significant attempts to settle this action during
the past thirty (30) days, and had in fact hoped same was settled just prior to the new year, settlement
no longer appears possible. Eric's actions during this case, and especially during the months of
December 2010 and January 2011, are not in the best interest of the community, and continue to
place Lynita's fifty percent (50%) interest in all community assets at risk. Eric has shown by his
behavior that he can no longer be entrusted with managing the parties' assets without oversight and

1 it is necessary for this court to become involved and provide the oversight necessary to protect
2 Lynita's interest in marital assets, or if the Court will not personally do so, for this Court to appoint
3 a receiver to take control of the community assets presently under Eric's control so as to (1) provide
4 an accurate accounting of all income and expenses to the parties, (2) ensure future management of
5 the assets is conducted in such a manner so as to preserve the assets for equal division by this court,
6 (3) ensure both parties have equal access to information regarding the community assets. Such a
7 remedy is essential to preserve the interests of all parties.

8 1. Standard of Review to Appoint a Receiver

9 Should this Court determine it does not have the time, desire, or resources to personally
10 devote to monitoring Eric's business dealings, the court should appoint a receiver in this case to act
11 in this capacity. The facts of this action indicate that such a remedy is necessary to preserve Lynita's
12 interest in community assets. A receiver may be appointed in actions between partners jointly
13 owning an interest in property which is in danger of being lost, removed, or materially injured. NRS
14 32.010(1).¹⁰ The Nevada Supreme Court also turns to NRS 32.010(6)¹¹ where other equitable
15 remedies may not be sufficient because, without a receiver, the judgment of the court may become
16 meaningless. *Bowler v. Leonard*, 70 Nev. 370, 269 P.2d 833 (1954).

17 In *Bowler*, the parties had conflicts regarding their interests in cattle. *Id.* The court appointed
18 a receiver to safeguard and manage the herd pending the outcome of the case. *Id.* The present case
19 is similar to *Bowler* because Lynita and Eric have conflicts regarding the management of and their
20

21 _____
21 10NRS 32.010 provides:

22 **Cases in which receiver may be appointed.** A receiver maybe appointed by the court in which an action is
23 pending, or by the judge thereof:

24 1. In an action . . . between partners or others jointly owning or interested in any property or fund, on
25 application of the plaintiff, or of any party whose right to or interest in the property or fund, or the proceeds thereof, is
26 probable, and where it is shown that the property or fund is in danger of being lost, removed or materially injured.

26 . . .

27 6. In all other cases where receivers have heretofore been appointed by the usages of the courts of equity.

28 ¹¹See footnote 4, which includes NRS 32.010(6). This statutory provision allows this Court, as a court of equity, to
appoint a receiver to protect Lynita from Eric's continued dissipation of the community assets.

1 respective interests in certain community assets. Also, as in *Bowler*, a receiver is needed to
2 safeguard assets pending the outcome of the case. Without a receiver, the community cannot be
3 safeguarded from Eric's continued efforts to endanger community assets without Lynita's knowledge
4 or approval.

5 The courts have taken a very liberal approach towards the appointment of a receiver where
6 one party engages in oppressive action against another party. *Sugarman C. v. Morse Brothers*, 50
7 Nev. 191, 200-01, 255 P. 1010 (1927). In the present case, Eric's conduct of affirmatively blocking
8 Lynita's access to information about community assets, providing incomplete information with
9 respect to the parties' monthly income, taking actions adverse to the community with respect to the
10 community's interest in the Silver Slipper, and threatening to further encumber assets so as to allow
11 Eric to participate in a battle of machismo against Mr. Alanais and the other partners of the Silver
12 Slipper casino venture constitutes oppressive action. Furthermore, this oppressive action is
13 materially injuring Lynita's fifty percent (50%) interest in the community. It cannot be in the best
14 interest of Lynita or the community for Eric to continue to be permitted to act as he has during the
15 past sixty days. Eric's behavior is inexcusable and oppressive.

16 Lynita's interest in the community are best preserved by the active participation of this Court
17 or appointment of a receiver in this case. Without action, Eric will continue to do as he sees fit, to
18 the detriment of Lynita and the community until the time these parties are ultimately divorce, and
19 Lynita may very well have no remedy at that time.

20 2. A Receivership is Appropriate Because Eric's Conduct is Oppressive and Absent
21 Immediate Judicial Intervention, Lynita Has No Adequate Remedy At Law

22 After a complaint is filed, a petition containing sufficient facts to justify the appointment
23 must be filed. *State ex re. Nenzel v. Second Judicial District Court*, 49 Nev. 145, 157, 241 P. 317
24 (1925). In the petition, the applicant must identify the relationship of the applicant to the proposed
25 receivership estate and give the court a factual explanation why a receiver should be appointed. *Id.*

26 Here, Lynita has identified the relationship between herself and Eric. Eric and Lynita have
27 been married in excess of 27 years. Lynita is an equal, fifty percent (50%) owner of all community
28 property which has been acquired during the parties' lengthy marriage.

1 Absent this Court's decision to intervene and personally monitor Eric's business practices,
2 a receiver should be appointed because Eric has systematically acted in a manner so as to restrict
3 Lynita's access to information concerning community assets (specifically prohibiting the sharing of
4 information concerning the Silver Slipper casino), has failed to provide Lynita with full and
5 complete information regarding income generated from the parties' assets, and intends to encumber
6 assets subject to division by this Court at the time these parties are ultimately divorced. This conduct
7 materially injures Lynita's interest in the community and absent a receiver, Lynita will have no
8 adequate remedy to recover her share of existing community assets by the time these parties are
9 ultimately divorced.

10 The appointment of a receiver is discretionary, to be governed by all the circumstances in the
11 case. *Bowler* at 383. The applicant must satisfy the same criteria for obtaining injunctive relief,
12 including the demonstration of reasonable probability of success on the merits. *Nines v. Plante*, 99
13 Nev. 259, 262, 661 P.2d 880 (1983). The applicant must show that legal remedies are inadequate.
14 *State ex. rel. Nenzel v. Second Judicial District Court*, 49 Nev. 145, 160, 241 P. 317 (1925). The
15 applicant should show that the receivership is necessary to preserve assets or preserve the status quo.

16 In the present case, the parties have, during their lengthy marriage, accumulated quite a
17 substantial estate. They have done so for the benefit of each of them personally and for the benefit
18 of their five children. Nevertheless, because of his anger at Lynita and her counsel over these
19 divorce proceedings, Eric is no longer acting rationally and with the best interest of the community
20 in mind. While Lynita retains a fifty percent (50%) interest in all community assets, Eric has
21 engaged in a course of conduct which materially injures that interest. Eric's conduct is offensive,
22 if not oppressive. He presently retains total control over the majority of the community assets and
23 has shown he will no longer act in the best interest of the community.

24 Without a receiver, Eric will continue to act however he desires and there may be no other
25 relief available to Lynita to compensate her for Eric's actions. Eric's actions are not in the best
26 interest of Lynita or the community. Absent this Court's inclination to personally monitor Eric's
27 business dealings, a temporary receiver needs to be appointed immediately. Without a temporary
28 receiver, Eric will continue to act outside of the best interest of the community, and this Court's

1 hands will be tied when trying to divide the remaining asset at the time these parties are ultimately
2 divorced.

3 IV. Lynita Should Be Awarded Attorneys Fees


4 Lynita is entitled to and should be granted an award of attorney's fees to compensate her for
5 having to bring this motion. It is well settled under Nevada law that "[t]he wife must be afforded
6 her day in court without destroying her financial position. This would imply that she should be able
7 to meet her adversary in the courtroom on an equal basis." *Sargeant v. Sargeant*, 88 Nev. 223, 227,
8 495 P.2d 618 (1972). Lynita must be placed in parity with Eric in order to provide a level playing
9 field on which to litigate the issues of this divorce. Eric is capable of paying a lump sum as and for
10 Lynita's attorneys fees incurred by this Motion as well as to allow Lynita to continue to present her
11 case at trial.

12 Eric caused this motion to become necessary by his failure to provide Lynita with any spousal
13 support during the pendency of this action, by his directive to Mr. Alanais to stop sharing
14 information concerning the Silver Slipper with Lynita and her counsel, and by taking actions which
15 are adverse to the best interest of the community. Lynita respectfully requests an award of not less
16 than \$50,000 in attorneys fees to be paid by Eric to The Dickerson Law Group within ten (10) days,
17 with such award being reduced to judgment, collectible by all lawful means should Eric fail to pay
18 same in the allotted ten (10) days. Eric has the ability to satisfy such an Order from the Mellon bank
19 account or Mellon line of credit, both of which remain solely under his control.

20 Dated this 18th day of January, 2011.

21 Respectfully Submitted by:

22 THE DICKERSON LAW GROUP

23
24 By 
25 ROBERT P. DICKERSON, ESQ.
26 Nevada Bar No. 000945
27 KATHERINE L. PROVOST, ESQ.
28 Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

MOFI

DISTRICT COURT
FAMILY DIVISION
CLARK COUNTY, NEVADA

ERIC L. NELSON,)
)

Plaintiff/Petitioner)

-vs-)

LYNITA SUE NELSON)

Defendant/Respondent)

CASE NO. D-09-411537-D

DEPT. O

**FAMILY COURT MOTION/OPPOSITION
FEE INFORMATION SHEET (NRS 19.0312)**

Party Filing Motion/Opposition: ☐ Plaintiff/Petitioner ☒ Defendant/Respondent

Motion for Temporary Support, for Release of Information, for an Order Enjoining Eric from Taking Certain Actions, for Monitoring by This Court or Appointment of a Receiver, and for an Award of Attorneys Fees

**Motions and Oppositions to
Motions filed after entry of final
Decree or Judgment are subject
to the Re-open filing fee of
\$25.00, unless
specifically excluded.
(NRS 19.0312)**

EXCLUDED MOTIONS/OPPOSITIONS



Motions filed before final Divorce/Custody Decree entered
(Divorce/Custody Decree NOT final)



Child Support Modification ONLY



Motion/Opposition for Reconsideration (Within 10 days of Decree)
Date of Last Order _____



Request for New Trial (Within 10 days of Decree)
Date of Last Order _____



Other Excluded Motion _____
(Must be prepared to defend exclusion to Judge)

NOTE: If no boxes are checked, filing fee **MUST** be paid.

☐ Motion/Opp IS subject to \$25.00 filing fee

☒ Motion/Opp IS NOT subject to filing fee

Date: January 21, 2011

Priscilla Baker

Printed Name of Preparer



Signature of Preparer

EXHIBIT A

From: Eric Nelson [eric@enlvcorp.com]
Sent: Wednesday, November 24, 2010 9:31 AM
To: palanis@silverslippergaming.com
Cc: Bob Dickerson; 'Attanasio, Melissa G'; Lynita Nelson; 'Joe Leauanae'
Subject: RE: Fw: Board Of Manager's Call 11/24/10

Paul,

Lynita and her counsel and any other professionals have been invited to my office only so I can see their intent on or off the phone. For them to participate is totally against the MS gaming commission rules and regulations as I understand without my consent and the boards.

Any negotiations from any party w/out my full knowledge and written consent I will seek all legal recourse and the MS gaming commission will be hereby notified of what I believe to be fraudulent activity. I remind all parties that Lynita Nelson is a non-licensed, never been licensed, never been investigated by any gaming commission let alone MS. Her involvement prior to this had only been to satisfy information of the Silver Slipper. Again, any negotiations w/ her or communication w/ her or her professionals w/out a court order are strictly adverse to my request.

Again, I have invited Lynita and her professionals to my office so I can tape record and monitor her involvement in this call.

Thank you.

Eric Nelson

From: palanis@silverslippergaming.com [mailto:palanis@silverslippergaming.com]
Sent: Wednesday, November 24, 2010 9:07 AM
To: L. Nelson
Cc: eric@enlvcorp.com
Subject: RE: Fw: Board Of Manager's Call 11/24/10

Lynita I am somewhat confused because yesterday I received an email from Eric instructing me not to talk to you or your legal counsel or share any financial information with you. Now I see that he has invited you to participate in the call this morning. Candidly, I don't know what Eric wants, so I will ask him first thing on the call this morning to clarify his position and ask the other members of the Board if they have any objection to your participating in this call. If Eric agrees and there is no other objection I will ask Eric to email or text you the call-in number, otherwise I assume that you will not be able to participate in the call directly. Paul

----- Original Message -----

Subject: Fw: Board Of Manager's Call 11/24/10
From: "L. Nelson" <tiggywinkle@cox.net>
Date: Wed, November 24, 2010 2:37 am
To: <palanis@silverslippergaming.com>
Cc: "Bob Dickerson" <bob@dickersonlawgroup.com>, "priscilla baker" <priscilla@dickersonlawgroup.com>

Paul,

Below is an invitation from Eric to include me in the telephonic meeting on Wednesday, November 24th, 10a.m. Due to the holiday I am unable to be present at Eric's office for the meeting. However, I

appreciate the opportunity to listen to the discussion of items being heard.

I appreciate your consideration and ask if your office would facilitate this by ringing me in to the meeting or provide me with the 'call-in' number.

Should you disagree, I ask if you will then please provide me with the notes/minutes of the meeting.

Respectfully,

Lynita Nelson

----- Original Message -----

From: Eric Nelson

To: Lynita Nelson ; bob@dickersonlawgroup.com ; 'Joe Leauanae' ; 'Attanasio, Melissa G'

Sent: Tuesday, November 23, 2010 10:21 AM

Subject: FW: Board Of Manager's Call 11/24/10

Eric invites you to be here at this office for this call. This is a critical conversation. You should be at Eric's office at 10 am if you want to listen in.

From: palanis@silverslippergaming.com [<mailto:palanis@silverslippergaming.com>]

Sent: Tuesday, November 23, 2010 9:07 AM

To: Jess Ravich; eric@enlvcorp.com; mccarlie@cableone.net; lostrow@silverslippergaming.com

Cc: rmcgowan@enlvcorp.com

Subject: Board Of Manager's Call 11/24/10

I am proposing to have a Board of Managers telephonic meeting on Wednesday, November 24th at 10a.m. Pacific Time. The purpose of the meeting is to discuss and submit for approval the Annual Plan for 2011 (as it must be sent to our lender's before the end of the month) and to discuss and submit for approval the attached Memorandum of Understanding, which creates a forbearance from foreclosure, under certain circumstances and conditions, until 12/31/11.

Please respond today by email to let me know that you will be available for such call. The call-in number remains the same:

Thank you,

Paul

From: L. Nelson [tiggywinkle@cox.net]
Sent: Wednesday, November 24, 2010 10:07 AM
To: Paul Alanis
Cc: Bob Dickerson; priscilla baker
Subject: Fw: Fw: Board Of Manager's Call 11/24/10

Hello Paul,

I am very sorry for the confusion. Myself and my counsel received repeated phone calls, emails and texts through the early afternoon to make themselves available for the 'Board of Manager's Call' this morning.

As of a few moments ago, I have been forwarded the email Eric sent you regarding my/our involvement in the meeting. It has been our understanding that we were to be there to 'listen' only as I hope I was clear in my email correspondence with you.

I am unaware at this time of the gaming guidelines of Mississippi at this time as to how they relate to me or my counsel being able to listen in at the meeting. As Eric made it very clear repeatedly that he wanted all of us to be present we of course were relying on his knowledge of what those guidelines were.

This is the type of behavior I have grown accustomed to. This may be more than what I should state openly, however please be aware that I am very much interested in being able to listen in only on the meeting.

The discussions and information discussed are important for me to be aware of.

I have rec'd an text moments ago, inviting me to a meeting at his office at 10:30. Is that a meeting you would be present with him on the phone ?

Sincerely,

Lynita Nelson

----- Original Message -----

From: palanis@silverflippergaming.com
To: L. Nelson
Cc: eric@enlvcorp.com
Sent: Wednesday, November 24, 2010 9:06 AM
Subject: RE: Fw: Board Of Manager's Call 11/24/10

Lynita I am somewhat confused because yesterday I received an email from Eric instructing me not to talk to you or your legal counsel or share any financial information with you. Now I see that he has invited you to participate in the call this morning. Candidly, I don't know what Eric wants, so I will ask him first thing on the call this morning to clarify his position and ask the other members of the Board if they have any objection to your participating in this call. If Eric agrees and there is no other objection I will ask Eric to email or text you the call-in number, otherwise I assume that you will not be able to participate in the call directly. Paul

----- Original Message -----

Subject: Fw: Board Of Manager's Call 11/24/10
From: "L. Nelson" <tiggywinkle@cox.net>
Date: Wed, November 24, 2010 2:37 am
To: <palanis@silverflippergaming.com>
Cc: "Bob Dickerson" <bob@dickersonlawgroup.com>, "priscilla baker" <priscilla@dickersonlawgroup.com>

Paul,

Below is an invitation from Eric to include me in the telephonic meeting on Wednesday, November 24th, 10a.m. Due to the holiday I am unable to be present at Eric's office for the meeting. However, I appreciate the opportunity to listen to the discussion of items being heard.

I appreciate your consideration and ask if your office would facilitate this by ringing me in to the meeting or provide me with the 'call-in' number.

Should you disagree, I ask if you will then please provide me with the notes/minutes of the meeting.

Respectfully,

Lynita Nelson

----- Original Message -----

From: Eric Nelson
To: Lynita Nelson ; bob@dickersonlawgroup.com ; 'Joe Leauanae' ; 'Attanasio, Melissa G'
Sent: Tuesday, November 23, 2010 10:21 AM
Subject: FW: Board Of Manager's Call 11/24/10

Eric invites you to be here at this office for this call. This is a critical conversation. You should be at Eric's office at 10 am if you want to listen in.

From: palanis@silverslippergaming.com [<mailto:palanis@silverslippergaming.com>]
Sent: Tuesday, November 23, 2010 9:07 AM
To: Jess Ravich; eric@enlvcorp.com; mccarlie@cableone.net; lostrow@silverslippergaming.com
Cc: rmcgowan@enlvcorp.com
Subject: Board Of Manager's Call 11/24/10

I am proposing to have a Board of Managers telephonic meeting on Wednesday, November 24th at 10a.m. Pacific Time. The purpose of the meeting is to discuss and submit for approval the Annual Plan for 2011 (as it must be sent to our lender's before the end of the month) and to discuss and submit for approval the attached Memorandum of Understanding, which creates a forbearance from foreclosure, under certain circumstances and conditions, until 12/31/11. Please respond today by email to let me know that you will be available for such call. The call-in number remains the same:

Thank you,
Paul

From: tiggywinkle@cox.net
Sent: Thursday, December 09, 2010 12:49 AM
To: <palanis@silverslippergaming.com>
Subject: Re: Board of Manager's Meeting Minutes

Paul,

Pleasant news your wife's improving and will soon be able to do those things she enjoys.

Thank you for your reply and willingness to work through this process. I will discuss your request with Bob.

Eric and I have a meeting together this Friday with our council.

I am hopeful we will be able to secure the necessary authorization that will allow us to communicate and work together more freely in the future.

I will update you on the outcome in regards to the outcome of the approval.

Sincerely,
Lynita

From iPhone

On Dec 8, 2010, at 5:48 PM, <palanis@silverslippergaming.com> wrote:

Lynita First of all, thank you for the flowers for my wife. They were incredibly beautiful and greatly appreciated. My wife is making an excellent recovery and feeling better every day. A few more weeks and she will be totally back to her normal routine. Thanks for asking.

As to Silver Slipper, I am more than happy to share all current information with you. I feel, however, that I am in a difficult position between you and Eric. He has chastised me regarding giving information to you or your attorney, asserting that you are not a partner. Can you get Eric to agree and to provide me with written authorization to provide you with the information you request? If I receive that, I will immediately provide you whatever you request. I'm sorry that I cannot be more accommodating right now but I have been given no alternative at this point by Eric. Please let me know. Paul

----- Original Message -----

Subject: Board of Manager's Meeting Minutes
From: "L. Nelson" <tiggywinkle@cox.net>

Date: Wed, December 08, 2010 1:43 am
To: "Paul Alanis" <palanis@silverslippergaming.com>

Hello Paul,

I hope this finds you well and your wife feeling better, especially as we go into the holiday season.

I am writing to request a copy of the minutes from the 'Board of Managers Meeting' held last month.

Also, to make you aware Eric forwarded your email to Gene McCarlie and himself in reference to your disappointment of their disapproval of the 2011 Annual Budget including a possible meeting between the "owners of the Silver Slipper" and Jeff Jacobs.

In light of receiving this information will you also provide information that is related to the referenced matters in your email including any other matters which relate to the Silver Slipper that may not be mentioned that have occurred since the 'Board of Managers Meeting' ?

I am interested in all matters relating to the Silver Slipper.

Respectfully,

Lynita Nelson

EXHIBIT B

DYNASTY DEVELOPMENT GROUP LLC

December 1, 2010

Paul Alanis
Silver Slipper Casino Venture, LLC
150 S. Los Robles Ave #665
Pasadena, Ca 91101

RE: Vote to Approve or Disapprove Silver Slipper 2011 Budget

Dear Paul;

My vote is to reject the budget until many concerns are cleared up. I'll address those concerns in the near future.

Please consider this a no vote for Mr. Gene McCarlie also.



Eric Nelson, Managing Member
Dynasty Development Group LLC

C: Harold Duke, Esq
Gene McCarlie

EN

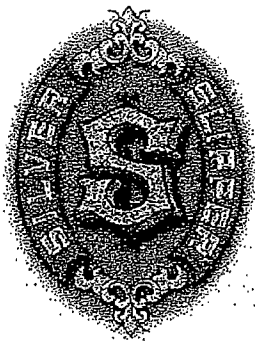
From: Eric Nelson [eric@enlvcorp.com]
Sent: Thursday, December 02, 2010 12:13 PM
To: Lynita Nelson; 'Attanasio, Melissa G'; Bob Dickerson
Subject: FW: Annual Budget/Meeting

From: Paul Alanís [<mailto:palanis@silverflippergaming.com>]
Sent: Wednesday, December 01, 2010 2:09 PM
To: Eric Nelson; Gene McCarlie
Subject: Annual Budget/Meeting

Eric – I am extremely disappointed that you have failed to approve the 2011 Annual Budget. I see no reason why you would not do so. I have nevertheless sent it on the lenders, as required under our Loan Agreement, for their approval and have indicated to them that Dynasty has disapproved the budget.

On another note, we have heard that there may be a meeting occurring tomorrow between the “owners of Silver Slipper” and Jeff Jacobs. I would hope that neither you, nor Gene McCarlie, is planning to have such a meeting and I want you to confirm to me in writing today that no such meeting is planned or will occur. Jeff Jacobs has proven to be our adversary and any meeting that occurred with him without the knowledge and participation of all of the owners of Silver Slipper could be extremely damaging to us. We will hold any of the partners who holds such a meeting responsible for any and all damage occurring as a result of such meeting.

Paul



Via Federal Express

December 14, 2010

Dynasty Development Group, LLC
3611 S. Lindell Road, Suite 201
Las Vegas, NV 89103

Attn: Eric Nelson

Re: Silver Slipper Casino Venture, LLC (the "Company")

Dear Mr. Nelson:

Enclosed is a Notice of Impasse relating to (i) the rejection of the Company's 2011 Annual Plan by yourself and Mr. McCarlie, as members of the Board of Managers of the Company, and (ii) Dynasty Development Group, LLC's ("Dynasty") rejection of the 2011 Annual Plan, as a Voting Member of the Company. As a result of such rejection and the Impasse caused by it, the undersigned, as the voting designees of the remaining Voting Members, all of whom have approved the 2011 Annual Plan, have executed the enclosed notice, which shall also serve as the Buy/Sell Notice as defined in Section 7.1 of the Third Amended and Restated Operating Agreement, as amended (the "Operating Agreement"), of the Company.

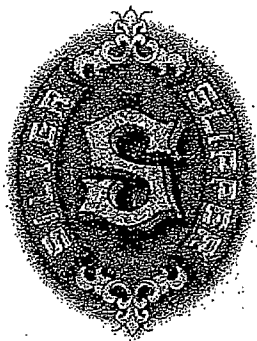
Pursuant to Article 7 of the Operating Agreement, Dynasty must, within the next thirty (30) days, deliver a written notice to the undersigned, setting forth a Stated Value (as defined in the Operating Agreement") for all of the assets of the Company.

Thank you.

Very truly yours,

Paul R. Alanis
Voting Members Designee

Jess M. Ravich
Voting Members Designee



December 14, 2010

To: All Voting Members of Silver Slipper Casino Venture, LLC
The Board of Managers of Silver Slipper Casino Venture, LLC

Dear Board Members and Voting Members:

Please be advised that on Wednesday, November 24, 2010, the Board of Managers of Silver Slipper Casino Venture, LLC (the "Company") approved the 2011 Annual Plan of the Company. On December 6, 2010, the Board submitted the Annual Plan to all of the Voting Members of the Company (through the voting designees) pursuant to the Third Amended and Restated Operating Agreement, as amended (the "Operating Agreement") of the Company.

Please be advised that all of the Voting Members approved the Annual Plan, with the exception of Dynasty Development Group, LLC, which specifically rejected the proposed Annual Plan. Since Dynasty Development Group, LLC, either through its representatives on the Board of Managers or as a Voting Member, did not provide any basis for its objection to the Annual Plan, there appears to be no basis to find common ground to a revision of the Annual Plan. Accordingly, the undersigned are delivering this correspondence as written notice of an Impasse (as defined in the Operating Agreement) and as the Buy/Sell Notice (as defined in the Operating Agreement).

Very truly yours,

Paul R. Alanis
Voting Members Designee

Jess M. Ravich
Voting Members Designee

EXHIBIT C

From: tiggrywinkle@cox.net
Sent: Wednesday, January 12, 2011 3:30 PM
To: Bob Dickerson; Katherine Provost; priscilla baker
Subject: For the file :) Email and text from Eric
Attachments: ms_multijurisdictional_gaming_form.pdf; ATT01367.htm; mississippi_gaming_addendum.pdf; ATT01368.htm

Hi lynita. FYI. No one will call David back. I'm heading to Ms. I working on a up to \$10,000,000 guarette of a loan to take on Paul SS. This will have a profound effect on liening of MY assets. Will not be able to give u anything close to what i offer that is free and clear

This is a RED ALERT. Thanks. Letter on office stuff going out soon along with rent roll. This is my normal course of business working close with David. FYI. I'm very calm since 12/31 is over and coming clean with partners. Be nice to talk if only to tell what this means. Better talk to bob or melisa. But it's your life. I'm good. Thanks

Fwd: Mississippi Gaming Applications attached

From iPhone

Begin forwarded message:

From: <eric@enlvcorp.com>
Date: January 12, 2011 10:51:57 AM PST
To: "Lynita Nelson" <tiggrywinkle@cox.net>
Cc: "Rochelle McGowan" <rmcgowan@enlvcorp.com>, <eric@enlvcorp.com>
Subject: Mississippi Gaming Applications attached



Lynita,

Eric requested I forward these applications to you.

Joan

EXHIBIT D

Exhibit A

4. Related Work

100

Lifestyleanalysis 2- Nelson.xls

Historical Lifestyle Analysis
Information gathered from Accounts for Lynita Nelson listed on last page
Lynita Nelson

Exhibit A

Year 2007

For Settlement Purposes Only

	Jan	Feb	Mar	Apr	May	Jun	July	August	Sep	Oct	Nov	Dec	12 Month Average	Expenses
Stationery/Office Supplies	\$1,300.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Taxes - Income Taxes	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Telephone - Cell	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Travel	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Thrift/Church Year Offering	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Tollfree	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Travel	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Total Personal Expenses	\$6,720.80	\$10,948.27	\$17,107.52	\$5,340.70	\$0,476.69	\$10,864.41	\$11,265.83	\$14,322.73	\$11,351.13	\$13,409.97	\$10,307.67	\$7,389.59	\$11,432.78	\$12,455.55

Sub Total Lifestyle Expenses \$21,223.47 \$20,732.84 \$23,162.29 \$16,220.54 \$19,898.51 \$14,941.08 \$18,119.13 \$22,889.10 \$18,251.47 \$23,829.49 \$16,385.86 \$13,991.19 \$19,909.44 \$21,586.31

Children - Expenses:	\$695.00	\$382.98	\$498.42	\$0.00	\$1,498.91	\$3,454.88	\$0.00	\$2,029.12	\$311.73	\$2,701.40	\$0.00	\$784.31	\$1,288.06	\$1,196.33
Children - Activities / Lessons	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children - Auto Insurance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children - Clothing	\$493.33	\$332.82	\$683.05	\$1,141.06	\$1,645.00	\$654.62	\$2,066.65	\$4,143.44	\$3,993.35	\$3,322.27	\$1,946.05	\$3,079.92	\$8,344.55	\$8,344.55
Children - Dental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children - Education - Other	\$13.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children - Fuel/Oil	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children - Health Insurance	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50	\$468.50
Children - Home Boarding/Gate	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00
Children - Telephone (Cell)	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00	\$234.00
Children - Travel	\$26.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children - Vision Care	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00
Total Children Expenses	\$7,989.00	\$5,118.30	\$6,206.17	\$4,967.44	\$9,313.26	\$8,742.00	\$2,929.17	\$17,431.06	\$5,717.65	\$8,280.17	\$7,665.86	\$8,658.73	\$6,738.30	\$8,634.30

Real Estate Holdings (LSN)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MS Property Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gateway Property Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Real Estate Holdings (LSN)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Total Lifestyle Expenses \$29,212.47 \$28,851.14 \$29,358.46 \$21,181.98 \$29,011.76 \$23,683.08 \$21,048.30 \$34,111.15 \$23,958.02 \$32,079.56 \$24,051.83 \$22,649.92 \$28,646.34 \$30,462.11

Cable Expenses	\$86.57	\$87.96	\$87.96	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55	\$89.55
Cable Satellite - Internet (Dish)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Furniture/Household Items	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Garage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gas - Amperes	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93	\$230.93
Insurance - Homeowners	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mortgage	\$64.07	\$81.28	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64	\$60.64
Power - Rocky Mountain	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Repairs and Maintenance	\$123.18	\$48.71	\$55.61	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71	\$48.71
Telephone - Cell	\$319.55	\$382.57	\$2,657.14	\$458.52	\$405.12	\$236.80	\$6,212.14	\$7,499.19	\$910.38	\$536.19	\$7,250.82	\$585.14	\$7,393.80	\$7,450.74
Total 2nd Home Expenses	\$319.55	\$382.57	\$2,657.14	\$458.52	\$405.12	\$236.80	\$6,212.14	\$7,499.19	\$910.38	\$536.19	\$7,250.82	\$585.14	\$7,393.80	\$7,450.74

Historical Lifestyle Analysis
Information gathered from Accounts for Lynita Nelson listed on last page
Lynita Nelson

Footnotes

Cable / Internet: Sep 07 actual expense was \$47.42. Client received credit from company therefore monthly amount was adjusted to reflect current expense

- ## Children Expense Footnotes

- 1/14/2011

For Sallerment Purposes Only

EXHIBIT E

EXHIBIT C

Nelson vs Nelson
Monthly Income
 (Exclusive of Expenses)

		Wife	Husband
ASSETS			
Real Property			
	7065 Palmyra Ave		
(1)	2721 Harbor Hills, Lane included ↑		2,000
	2911 Bella Kathryn Circle		
	2910 Bella Kathryn Circle included ↑		
(2)	3611 S. Lindell		7,374
(3)	Russell Road Building		11,375
	Brianhead Utah Cabin - (see last page after equalization)		
	Arizona Property		
	28 acre lots		
	1 two-acre lots included ↑		
	2 lots (10 acres) included ↑		
	10 lots (LSN 25%) included ↑		
	2 one acre lots thru foreclosure included ↑		
	8 lots Joan Ramos		
	29 one-acre lot (ELN Trust)		
	Wyoming (200 acres)		
	MS Real Property/Silver Slipper/Hideway		
	830 Arnold Ave (Clay House)		450
	5913 Pebble Beach		
Other Investments			
Banone, NV			
	4412 Baxter		350
	5317 Clover Blossom Ct		1,000
	1301 Heather Ridge Rd		1,200
	6213 Anaconda Street		1,100
	1608 Rusy Ridge Lane		
	Mesa Vista (5 acres)		
	Mesa Vista (lot 68)		
	2209 Farmouth Circle		800
	3301 Terra Bella Drive		1,200
	4133 Compass Rose Way		1,000
	4601 Concord Village Drive		950
	4612 Sawyer Ave		1,000
	4820 Marnell Drive		800
	5113 Churchill Ave		900
	5704 Roseridge Ave		650
	6301 Cambria Ave		1,000
	6304 Guadalupe Ave		800

EXHIBIT C

Nelson vs Nelson**Monthly Income**

(Exclusive of Expenses)

	Wife	Husband
AZ but titled in NV		
1628 W. Darrel Road		14,900
1830 N. 66th Drive		↑
1837 N. 59th Ave		↑
2220 W. Tonto Street		↑
3225 W. Roma Ave		↑
3307 W. Thomas Road		↑
3332 N. 80th Lane		↑
3415 N. 84th Lane		↑
3424 W. Bloomfield Road		↑
3631 N. 81st Ave		↑
4141 N. 34th Ave		↑
4541 N. 76th Ave		↑
4816 S. 17th Street		↑
5014 W. Cypress Street		↑
5518 N. 34th Drive		↑
6172 W. Fillmore Street		↑
6202 S. 43rd Street		↑
6520 W. Palm Lane		↑
6720 W. Cambridge Ave		↑
6822 W. Wilshire Drive		↑
6901 W. Coolidge Street		↑
Mesa Vista (lot 67)		↑
Banone Nevada Real Notes		
R & D Customer Builders		774
Advantage Construction Inc		↑
Gerald & Linda Fixsen Lot 52		↑
Gerald & Linda Fixsen Lot 53		↑
Joe Williams & Sherry Fixsen		↑
Bidoco Inc		↑
Cary & Troy Fixsen		↑
Michael & Lyndia Asquith		↑
Amanda & Chris Stromberg		630
JB Ramos Trust		520
Katherine Stephens		420
Chad Ramos		400
Alicia Harrison		460
Keith Little		
Eric T. Nelson		697

EXHIBIT C

Nelson vs Nelson
Monthly Income
 (Exclusive of Expenses)

		Wife	Husband
Banone AZ			
4838 W. Berkeley Rd			
(4)	Dynasty Development LLC (included above)		4,313
The Grotta Entities (16.67%) Grotta Financial Partnership & Grotta Group LLC			
Grotta Financial Partnership -Note payable to Eric L Nelson NV TR (Lynita gets 100% Approx value: \$3,025,000)			
Other Investments			
Emerald Bay MS LLC			
Emerald Bay MS LLC Note			
Nicki Note			2,000
Riverwalk Entertainment LLC & Hideaway Casino LLC			
Eric Nelson Auctioneering			
Soris Notes Rental Payments			6,000
Bank & Investment Accts			
Bank of America x1310			
Bank of America x4118			
Bank of Ameica x2798			
Bank of America x4354			
Bank of America x5227			
Wells Fargo x6521			
Wells Fargo x6005			
Mellon Bank x1700			5,000
Mellon Bank x1780			
Bank of America x5829			
Bank of America x2754			
Bank of America x7064			
Bank of America x6958			
Citi National Bank x1539			
Citi National Bank x5152			
Credit Union 1 x7214-0 bal			
Credit Union 1 x7214-0 bal			
Credit Union 1 x6692-22 bal			
Silver State x3736-01 bal			
Silver State x3736-80 bal			
(5)	Charles Schwab x2834 bal as of 12/31/10	3,960	
Tax Returns			
2006 Tax Refund			
2006 Tax Refund			
2008 Tax Refund			
Federal Tax Carry Forward / Silver Slipper Approx. (-\$16 million) awarded to husband			

EXHIBIT C

Nelson vs Nelson**Monthly Income**

(Exclusive of Expenses)

	Wife	Husband
Autos / Vehicles		
2011 Audi / 2010 Expedition (Leased) - Wife		
2009 Escalade EXT SUV		
2007 Mercedes SL 550		
2000 Mercedes CLK 350-Eric gave to R Nelson		
Seven 4-wheel ATVs (1/2 to Lynita, 1/2 to Eric)		
4-6 Snowmobiles (1/2 to Lynita, 1/2 to Eric)		
Eric's Family Loan Receivables		
Chad Ramos		
Jesse Harber		
Brock Nelson		
Miscellaneous Assets		
Eric's Accrued Mgt Fees		
Eric's Future Mgt Fees per month		
Cash / Checks with Lynita		
Money Eric removed from safe		
Children's Property		
Garett's Investment Monies		
Calico Springs Trust (Amanda) \$2,530		
Blush Trust (Aubrey) \$2,530		
Angel Face Trust (Erica) \$2,530		
Stryre Trust (Garett) \$2,530		
Monkey Business TR (Carli) \$2,530		
Household Furniture/Furnishings		
2911 Bella Katheryn Circle		
7065 Palmyra Ave		
Harbor Hills property		
Brianhead property		
Jewelry, Clothing, Personal Items		
Eric's		
Lynita's		
Eric's Community Waste		
Russell Road rental income		
Total Assets	\$ 3,960	\$ 70,063

EXHIBIT C

Nelson vs Nelson
Monthly Income
 (Exclusive of Expenses)

	Wife	Husband
DEBTS		
Credit Cards		
(6) Eric's credit cards		
(6) Lynita's credit cards		
Miscellaneous Debt		
(6) Mellon Line of credit		
(6) Manise Lawsuit Mississippi		
(6) Contingent Tax Liability 2005		
(6) Contingent Grizzly Investment		
(6) Contingent Soris Liability		
(6) Contingent liability Hideaway/Bieri		
Total Debt	\$ -	\$ -
Total Assets Less Debt	\$ 3,960	\$ 70,063
POTENTIAL INCOME		
Potential Silver Slipper Mgt Fees		11,600
Total Income	\$ 3,960	\$ 81,663

Footnotes

- (1) Property is currently not being rented. Anticipated rental income based on current market condition.
- (2) Per Husband total rent of \$7,374 does not include any rental income from the 3600 square foot space the husband occupies
- (3) Rental payment of \$30,000 per month was renegotiated starting January 2011 to \$17,500 a month. Due to parties ownership of 65% the total monthly rental payment is \$11,375.
- (4) RV Park Rents of \$4,313.95. Monthly office expense needs to be deducted - unknown not provided since Oct 2009.
- (5) YTD income from 12/31/2010 Charles Schwab statement was \$47,474.84/12=\$3,956.24
- (6) Monthly expense unknown

EXHIBIT F

as of 1/12/2017

* Russell Road \$17,500 for 6 months/\$30,000 ANN

B. S. PATTINAHIS

1. How did Academy Find These Signals To Form Asian - Then Community Clubs

as of 1/12/2017

1	4412 Baxter, Las Vegas 89107	Rentel	Banone LLC																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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Exhibit “D”

IN THE SUPREME COURT OF THE STATE OF NEVADA

NOLA HARBER, AS DISTRIBUTION
TRUSTEE OF THE ERIC L. NELSON
NEVADA TRUST DATED MAY 30, 2001,
Petitioner,

vs.

THE EIGHTH JUDICIAL DISTRICT
COURT OF THE STATE OF NEVADA,
IN AND FOR THE COUNTY OF
CLARK; AND THE HONORABLE
FRANK P. SULLIVAN, DISTRICT
JUDGE,

Respondents,

and

ERIC L. NELSON AND LYNITA S.
NELSON, INDIVIDUALLY; AND LSN
NEVADA TRUST DATED MAY 30, 2001,
Real Parties in Interest.

No. 63545

FILED

JUL 30 2013

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY R. Malone
DEPUTY CLERK

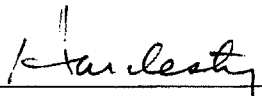
ORDER GRANTING TEMPORARY STAY


This is an original petition for a writ of prohibition challenging provisions of a district court divorce decree that directs the transfer of certain assets from the Eric L. Nelson Nevada Trust to the LSN Nevada Trust. Petitioner filed an emergency motion for a stay of those provisions of the divorce decree, which this court deferred ruling on pending a supplement and answer to the petition. On July 29, 2013, petitioner filed a request for a ruling on the motion for a stay, indicating that the district court held a hearing on July 22, 2013, and ordered Eric L. Nelson to execute deeds transferring those assets by July 31, 2013.

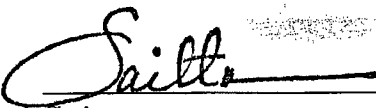
Having considered petitioner's renewed motion for a stay, we have determined that a temporary stay is warranted at this time. Accordingly, we temporarily stay the portions of the divorce decree

directing the transfer of the following assets from the Eric L. Nelson Nevada Trust to the LSN Nevada Trust: the Lindell Property; the rental properties owned by Banone, LLC; the JB Ramos Trust Note Receivable; and a percentage interest in the Russell Road Property. The temporary stay shall remain in effect pending further order of this court.¹ Additionally, petitioner shall have 11 days from the date of this order to file any reply to the answer to the petition.

It is so ORDERED.


Hardesty, J.


Parraguirre


Saitta, J.

cc: Hon. Frank P. Sullivan, District Judge
Solomon Dwiggins & Freer
Radford J. Smith, Chtd.
Dickerson Law Group
Eighth District Court Clerk

¹As for the July 22, 2013, oral ruling concerning execution of the deeds by July 31, 2013, petitioner has not provided this court with a written order, and we cannot determine whether one has been entered. See *Rust v. Clark Cty. Sch. Dist.*, 103 Nev. 686, 747 P.2d 1380 (1987) (providing that an oral pronouncement of a judgment is ineffective for any purpose).

Exhibit “C”

IN THE SUPREME COURT OF THE STATE OF NEVADA

NOLA HARBER, AS DISTRIBUTION
TRUSTEE OF THE ERIC L. NELSON
NEVADA TRUST DATED MAY 30, 2001,
Petitioner,

vs.

THE EIGHTH JUDICIAL DISTRICT
COURT OF THE STATE OF NEVADA,
IN AND FOR THE COUNTY OF
CLARK; AND THE HONORABLE
FRANK P. SULLIVAN, DISTRICT
JUDGE,

Respondents,

and

ERIC L. NELSON AND LYNITA S.
NELSON, INDIVIDUALLY; AND LSN
NEVADA TRUST DATED MAY 30, 2001,
Real Parties in Interest.

No. 63545

FILED

JUL 10 2013

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY R. Malone
DEPUTY CLERK

*ORDER DIRECTING SUPPLEMENT TO PETITION
AND DIRECTING ANSWER*

This is an original petition for a writ of prohibition challenging provisions of a district court divorce decree that direct the transfer of certain assets from the Eric L. Nelson Nevada Trust. Petitioner has also filed an emergency motion for a stay of those provisions of the divorce decree.

It is petitioner's burden to demonstrate that this court's extraordinary intervention is warranted. *Pan v. Eighth Judicial Dist. Court*, 120 Nev. 222, 228, 88 P.3d 840, 844 (2004). Writ relief is generally not available when the petitioner has a plain, speedy, and adequate remedy at law. *See* NRS 34.330; *Int'l Game Tech., Inc. v. Second Judicial Dist. Court*, 124 Nev. 193, 197, 179 P.3d 556, 558 (2008). The right to

appeal is generally considered an adequate legal remedy that precludes extraordinary relief. *Int'l Game Tech.*, 124 Nev. at 197, 179 P.3d at 558. A divorce decree is appealable as a final judgment when it finally resolves all issues pertaining to the dissolution of the parties' marriage, including the division of property. *See Lee v. GNLV Corp.*, 116 Nev. 424, 426, 996 P.2d 416, 417 (2000) (recognizing that a final judgment is one that disposes of all issues presented and leaves nothing for the court's future consideration, except for certain post-judgment issues).

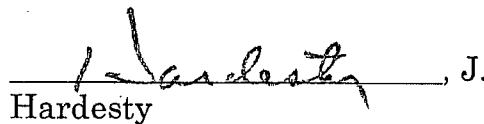
Petitioner contends that extraordinary relief is appropriate because an adequately legal remedy is not available. Specifically, petitioner asserts that an appeal cannot immediately be taken from the divorce decree because of a pending motion in the district court to alter or amend the judgment under NRCP 59. Further, petitioner acknowledges that the divorce decree is not a final judgment because the district court has not disposed of all of the assets, including the disposition of the Wyoming Downs property, which also appears to be the subject of the NRCP 59 motion. Nevertheless, petitioner has not established why an appeal from the final divorce decree, once it is entered, is not an adequate remedy in the ordinary course of the law. It seems that petitioner is essentially seeking to prevent enforcement of what appears to be an interlocutory order. *See Gojack v. Second Judicial Dist. Court*, 95 Nev. 443, 596 P.2d 237 (1979) (holding that the trial court lacked authority to enter a final divorce decree without contemporaneously disposing of the parties' community property); *but see Smith v. Smith*, 100 Nev. 610, 691 P.2d 428 (1984) (recognizing an exception to the rule prohibiting bifurcated divorce proceedings where the parties so stipulate). This court

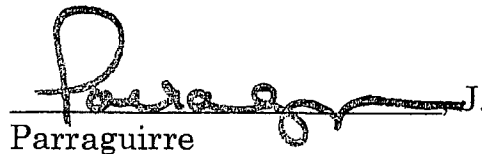
discourages such piecemeal review. *See Valley Bank of Nev. v. Ginsburg*, 110 Nev. 440, 444, 874 P.2d 729, 733 (1994).

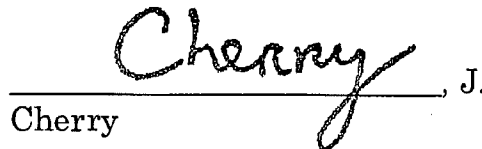
Accordingly, petitioner shall have until Monday, July 15, 2013, at 4 p.m. to file and serve a supplement to the petition demonstrating why extraordinary relief is warranted at this time, given that the issues can ultimately be raised on appeal from a final judgment. The real parties in interest shall have 11 days after the supplement is served to file and serve an answer to the petition, as supplemented. We defer ruling on petitioner's motion for a stay at this time.

All documents submitted in response to this order shall be filed and served personally, electronically, or by facsimile transmission with the clerk of this court in Carson City. *See* NRAP 2; NRAP 25(a)(2)(B)(i); NRAP 25(a)(4). For purposes of this petition, we suspend application of NRAP 25(a)(2)(B)(ii)-(iv) and NRAP 26(b)(1)(B).

It is so ORDERED.

 J.
Hardesty

 J.
Parraguirre

 J.
Cherry

cc: Hon. Frank P. Sullivan, District Judge
Solomon Dwiggins & Freer
Radford J. Smith, Chtd.
Dickerson Law Group
Eighth District Court Clerk

Exhibit “B”

FILED IN OPEN COURT

June 19, 2013

STEVEN D. GRIERSON
CLERK OF THE COURT

BY *LaTosha Kelly*
DEPUTY

1 ORDR

2 THE DICKERSON LAW GROUP

3 ROBERT P. DICKERSON, ESQ.

4 Nevada Bar No. 000945

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13 Email: info@dickersonlawgroup.com

14 Attorneys for LYNITA SUE NELSON

15
16 EIGHTH JUDICIAL DISTRICT COURT
17 FAMILY DIVISION

18 CLARK COUNTY, NEVADA

19 ERIC L. NELSON,

20 Plaintiff/Counterdefendant,

21 v.

22 LYNITA SUE NELSON,

23 Defendant/Counterclaimant.

) CASE NO. D-09-411537-D

) DEPT NO. "O"

24 ERIC L. NELSON NEVADA TRUST
25 dated May 30, 2001, and LSN NEVADA
26 TRUST dated May 30, 2001,

27 Necessary Parties (joined in this
28 action pursuant to Stipulation and
Order entered on August 9, 2011)

4

1 LANA MARTIN, as Distribution Trustee of)
 2 the ERIC L. NELSON NEVADA TRUST)
 3 dated May 30, 2001,)
 4 Necessary Party (joined in this action)
 5 pursuant to Stipulation and Order)
 6 entered on August 9, 2011)/ Purported)
 7 Counterclaimant and Crossclaimant,)
 8 v.)
 9 LYNITA SUE NELSON and ERIC)
 10 NELSON,)
 11 Purported Cross-Defendant and)
 12 Counterdefendant,)
 13 LYNITA SUE NELSON,)
 14 Counterclaimant, Cross-Claimant,)
 15 and/or Third Party Plaintiff,)
 16 v.)
 17 ERIC L. NELSON, individually and as the)
 18 Investment Trustee of the ERIC L. NELSON)
 19 NEVADA TRUST dated May 30, 2001; the)
 20 ERIC L. NELSON NEVADA TRUST dated)
 21 May 30, 2001; LANA MARTIN, individually,)
 22 and as the current and/or former Distribution)
 23 Trustee of the ERIC L. NELSON NEVADA)
 24 TRUST dated May 30, 2001, and as the)
 25 former Distribution Trustee of the LSN)
 26 NEVADA TRUST dated May 30, 2001);)
 27 NOLA HARBER, individually, and as the)
 28 current and/or former Distribution Trustee)
 of the ERIC L. NELSON NEVADA TRUST)
 dated May 30, 2001, and as the current)
 and/or former Distribution Trustee of the)
 LSN NEVADA TRUST dated May 30, 2001;)
 ROCHELLE McGOWAN, individually;)

1 JOAN B. RAMOS, individually; and DOES I)
2 through X,)
3 Counterdefendant, and/or)
4 Cross-Defendants, and/or)
5 Third Party Defendants.)
6

7 ORDER FOR PAYMENT OF FUNDS PURSUANT TO JUNE 3, 2013
8 DECREE OF DIVORCE

9 THE COURT, having considered the Motion for Payment of Funds Belonging
10 to Defendant Pursuant to Court's Decree to Ensure Receipt of Same, and for
11 Immediate Payment of Court Appointed Expert (the "Motion") submitted by
12 Defendant, LYNITA NELSON ("Lynita"), by and through her attorneys, ROBERT P.
13 DICKERSON, ESQ., KATHERINE L. PROVOST, ESQ., and JOSEF M.
14 KARACSONYI, ESQ., of THE DICKERSON LAW GROUP, the Opposition to
15 Motion submitted by the Eric L. Nelson Nevada Trust and the Joinder to Opposition
16 submitted by Eric L. Nelson, and having reviewed and analyzed the pleadings and
17 papers on file herein, including the Decree of Divorce entered by the Court on June 3,
18 2013, and good cause appearing therefore,

19 IT IS HEREBY ORDERED that David Stephens, Esq., shall immediately, upon
20 presentation of this Order, pay to Lynita or her attorneys the sum of \$1,032,742.00
21 from the \$1,568,000.00 held Mr. Stephens' trust account pursuant to the Court's prior
22 orders, and shall also pay from said funds the sum of \$35,258.00 to Larry Bertsch.

23 ...

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1 IT IS FURTHER ORDERED that if said \$1,568,000.00, or any portion thereof,
2 has already been transferred to Plaintiff, ERIC NELSON ("Eric"), and/or the ELN
3 Trust, the ELN Trust and Eric shall pay to Lynita or her attorneys the sum of
4 \$1,032,742.00, and shall pay to Larry Bertsch the sum of \$35,258.00, within ^{fully -} twenty-
5 ^{e 22 (48)} ~~four~~ (24) hours of presentation of this Order upon Eric's and the ELN Trust's ^(Pro) counsel
6 of record in this matter.

7 DATED this 19th day of June, 2013.

8
9 
DISTRICT COURT JUDGE

10 FRANK P SULLIVAN

11 Submitted by:

12 THE DICKERSON LAW GROUP

13
14 By 

15 ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
16 KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
17 JOSEF M. KARACSONYI, ESQ.
Nevada Bar No. 010634
18 1745 Village Center Circle
Las Vegas, Nevada 89134
19 Attorneys for Defendant
20
21
22
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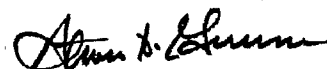
Exhibit “A”

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DISTRICT COURT
CLARK COUNTY, NEVADA

ERIC L. NELSON,)
)
Plaintiff/Counterdefendant,)
)
vs.)
)
LYNITA SUE NELSON, LANA MARTIN, as)
Distribution Trustee of the ERIC L. NELSON)
NEVADA TRUST dated May 30, 2001,)
)
Defendant/Counterclaimants.)

CASE NO.: D-09-411537-D
DEPT. NO.: 0
Electronically Filed
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CLERK OF THE COURT

LANA MARTIN, Distribution Trustee of the)
ERIC L. NELSON NEVADA TRUST dated)
May 30, 2001,)
)
Crossclaimant,)
)
vs.)
)
LYNITA SUE NELSON,)
)
Crossdefendant.)

DECREE OF DIVORCE

This matter having come before this Honorable Court for a Non-Jury Trial in October 2010, November 2010, July 2012 and August 2012, with Plaintiff, Eric Nelson, appearing and being represented by Rhonda Forsberg, Esq., Defendant, Lynita Nelson, appearing and being represented by Robert Dickerson, Esq., Katherine Provost, Esq., and Josef Karacsonyi, Esq., and Counter-defendant, Cross-defendant, Third Party Defendant Lana Martin, Distribution

FRANK R. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. 0
LAS VEGAS NV 89101

1
2 Trustee of the Eric L. Nelson Nevada Trust, being represented by Mark Solomon, Esq., and
3 Jeffrey Luszeck, Esq., good cause being shown:

4 THE COURT HEREBY FINDS that it has jurisdiction in the premises, both as to the
5 subject matter thereof and as the parties thereto, pursuant to NRS 125.010 et seq.

6 THE COURT FURTHER FINDS the Eric Nelson, Plaintiff, has been, and is now, an
7 actual and bona fide resident of the County of Clark, State of Nevada, and has been actually
8 domiciled therein for more than six (6) weeks immediately preceding to the commencement of
9 this action.

10 THE COURT FURTHER FINDS that the parties were married September 17, 1983.

11 THE COURT FURTHER FINDS that 5 children were born the issue of this marriage;
12 two of which are minors, namely, Garrett Nelson born on September 13, 1994, and Carli
13 Nelson born on October 17, 1997; and to the best of her knowledge, Lynita Nelson, is not now
14 pregnant.

15 THE COURT FURTHER FINDS that the Plaintiff filed for divorce on May 6, 2009.

16 THE COURT FURTHER FINDS that the parties entered into a Stipulated Parenting
17 Agreement as to the care and custody of said minor children on October 15, 2008, which was
18 affirmed, ratified and made an Order of this Court on February 8, 2010.

19 THE COURT FURTHER FINDS that on August 9, 2011, both parties stipulated and
20 agreed that the Eric L. Nelson Nevada (ELN) Trust should be joined as a necessary party to this
21 matter.

22 THE COURT FURTHER FINDS that Eric Nelson is entitled to an absolute Decree of
23 Divorce on the grounds of incompatibility.
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1
2 THE COURT FURTHER FINDS that during the couple's nearly thirty (30) years of
3 marriage, the parties have amassed a substantial amount of wealth.

4 THE COURT FURTHER FINDS that the parties entered into a Separate Property
5 Agreement on July 13, 1993, with Mr. Nelson being advised and counseled with respect to the
6 legal effects of the Agreement by attorney Jeffrey L. Burr and Mrs. Nelson being advised and
7 counseled as its legal effects by attorney Richard Koch.
8

9 THE COURT FURTHER FINDS that, pursuant to NRS 123.080 and NRS 123.220(1),
10 the Separate Property Agreement entered into by the parties on July 13, 1993, was a valid
11 Agreement.

12 THE COURT FURTHER FINDS that Schedule A of the Separate Property Agreement
13 contemporaneously established the Eric L. Nelson Separate Property Trust and named Mr.
14 Nelson as trustor. The trust included interest in:
15

16 A First Interstate Bank account;
17 A Bank of America account;
18 4021 Eat Portland Street, Phoenix, Arizona;
19 304 Ramsey Street, Las Vegas, Nevada;
20 Twelve (12) acres located on Cheyenne Avenue, Las Vegas, Nevada;
21 Ten (10) acres located on Cheyenne Avenue, Las Vegas, Nevada;
22 1098 Evergreen Street, Phoenix, Arizona;
23 Forty nine (49) lots, notes and vacant land in Queens Creek, Arizona;
24 Forty one (41) lots, notes and vacant land in Sunland Park, New Mexico;
25 Sport of Kings located at 365 Convention Center Drive, Las Vegas, Nevada;
26 A 1988 Mercedes;
27 Forty percent (40%) interest in Eric Nelson Auctioneering, 4285 South Polaris Avenue,
28 Las Vegas, Nevada;
One hundred percent (100%) interest in Casino Gaming International, LTD., 4285
South Polaris Avenue, Las Vegas, Nevada; and
Twenty five percent (25%) interest in Polk Landing.

THE COURT FURTHER FINDS that Schedule B of the Separate Property Agreement
contemporaneously established the Lynita S. Nelson Separate Property Trust and named Mrs.
Nelson as trustor. The trust included interest in:

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A Continental National Bank account;
Six (6) Silver State Schools Federal Credit Union accounts;
An American Bank of Commerce account;
7065 Palmyra Avenue, Las Vegas, Nevada;
8558 East Indian School Road, Number J, Scottsdale, Arizona;
Ten (10) acres on West Flamingo Road, Las Vegas, Nevada;
1167 Pine Ridge Drive, Panguitch, Utah;
749 West Main Street, Mesa, Arizona;
1618 East Bell Road, Phoenix, Arizona;
727 Hartford Avenue, Number 178, Phoenix, Arizona;
4285 Polaris Avenue, Las Vegas, Nevada;
Metropolitan Mortgage & Security Co., Inc., West 929 Sprague Avenue Spokane,
Washington;
Apirade Bumpus, 5215 South 39th Street, Phoenix, Arizona;
Pool Hall Sycamore, 749 West Main Street, Mesa, Arizona;
A Beneficial Life Insurance policy; and
A 1992 van

THE COURT FURTHER FINDS that on May 30, 2001, the Eric L. Nelson Nevada
Trust (hereinafter "ELN Trust") was created under the advice and counsel of Jeffrey L. Burr,
Esq., who prepared the trust documents.

THE COURT FURTHER FINDS that the ELN Trust was established as a self-settled
spendthrift trust in accordance with NRS 166.020.¹

THE COURT FURTHER FINDS that all of the assets and interest held by the Eric L.
Nelson Separate Property Trust were transferred or assigned to the ELN Trust.

THE COURT FURTHER FINDS that on May 30, 2001, the Lynita S. Nelson Nevada
Trust (hereinafter "LSN Trust") was created under the advice and counsel of Jeffrey L. Burr,
Esq., who prepared the trust documents.

THE COURT FURTHER FINDS that the LSN Trust was established as a self-settled
spendthrift trust in accordance with NRS 166.020.

¹ NRS 166.020 defines a spendthrift trust as "at trust in which by the terms thereof a valid restraint on the
voluntary and involuntary transfer of the interest of the beneficiary is imposed. See, NRS 166.020.

1
2 THE COURT FURTHER FINDS that all of the assets and interest held by the Lynita S.
3 Nelson Separate Property Trust were transferred or assigned to the LSN Trust.

4 THE COURT FURTHER FINDS that while the parties may differ as to the reason why
5 the trusts were created, the effect of a spendthrift trust is to prevent creditors from reaching the
6 principle or corpus of the trust unless said creditor is known at the time in which an asset is
7 transferred to the trust and the creditor brings an action no more than two years after the
8 transfer occurs or no more than 6 months after the creditor discovers or reasonably should have
9 discovered the transfer, whichever occurs latest.²

10
11 THE COURT FURTHER FINDS that while spendthrift trusts have been utilized for
12 decades; Nevada is one of the few states that recognize self-settled spendthrift trusts. The
13 legislature approved the creation of spendthrift trusts in 1999 and it is certainly not the purpose
14 of this Court to challenge the merits of spendthrift trusts.

15
16 THE COURT FURTHER FINDS that the testimony of the parties clearly established
17 that the intent of creating the spendthrift trusts was to provide maximum protection from
18 creditors and was not intended to be a property settlement in the event that the parties divorced.

19 THE COURT FURTHER FINDS that throughout the history of the Trusts, there were
20 significant transfers of property and loans primarily from the LSN Trust to the ELN Trust. Such
21 evidence corroborates Mrs. Nelson's testimony that the purpose of the two Trusts was to allow
22 for the ELN Trust to invest in gaming and other risky ventures, while the LSN Trust would
23 maintain the unencumbered assets free and clear from the reach of creditors in order to provide
24 the family with stable and reliable support should the risky ventures fail.

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² NRS 166.170(1)

1
2 THE COURT FURTHER FINDS that, due to Mrs. Nelson's complete faith in and total
3 support of her husband, Mr. Nelson had unfettered access to the LSN Trust to regularly transfer
4 assets from the LSN Trust to the ELN Trust to infuse cash and other assets to fund its gaming
5 and other risky investment ventures.

6
7 THE COURT FURTHER FINDS that on numerous occasions during these proceedings,
8 Mr. Nelson indicated that the ELN Trust and LSN Trust both held assets that were indeed
9 considered by the parties to be community property.

10 THE COURT FURTHER FINDS that during the first phase of trial held in August
11 2010, Mr. Nelson was questioned ad nauseam by both his former attorney, Mr. James
12 Jimmerson, and by Mrs. Nelson's attorney, Mr. Dickerson, about his role as the primary wage
13 earner for the family.

14 THE COURT FURTHER FINDS that on direct examination, when asked what he had
15 done to earn a living following obtaining his real estate license in 1990, Mr. Nelson's lengthy
16 response included:

17
18 "So that's my primary focus is managing all my assets and Lynita's assets so we
19 manage our *community assets*, and that's where our primary revenue is driven
(emphasis added)."

20 THE COURT FURTHER FINDS that upon further direct examination, when asked why
21 the ELN and LSN Trusts were created, Mr. Nelson responded:

22
23 "In the event that something happened to me, I didn't have to carry life insurance. I
24 would put safe assets into her property in her assets for her and the kids. My assets
25 were much more volatile, much more -- I would say daring; casino properties, zoning
26 properties, partners properties, so we maintained this and these — all these trusts
27 were designed and set up by Jeff Burr. Jeff Burr is an excellent attorney and so I felt
28 comfortable. This protected Lynita and her children and it gave me the flexibility
because I do a lot of tax scenarios, to protect her and the kids and me and we could
level off yearly by putting assets in her trust or my trust depending on the
transaction and protect -- the basic bottom line is to protect her (emphasis added)."

1
2 THE COURT FURTHER FINDS that upon further examination by Attorney Jimmerson
3 inquiring about the status of a rental property located on Lindell Road, Mr. Nelson's response
4 was:

5 "Well, we don't pay rent because we're managing all the assets, so I don't pay
6 myself to pay Lynita because we — it's all *community* (emphasis added)."

7 THE COURT FURTHER FINDS that during cross-examination on October 19, 2010,
8 Mr. Nelson was questioned as to why he closed his auctioning company and his response was:

9 "I was under water these businesses. And for business purposes and to -- to set -- to
10 save as much in our *community* estate, I was forced to lay people off, generate cash flow so
11 Lynita would have the cash flow from these properties in the future (emphasis added)."

12 THE COURT FURTHER FINDS that throughout Mr. Nelson's aforementioned
13 testimony, he either expressly stated that his actions were intended to benefit his and Mrs.
14 Nelson's community estate or made reference to the community.

15 THE COURT FURTHER FINDS that it heard testimony from Mr. Nelson over several
16 days during the months of August 2010, September 2010 and October 2010, in which Mr.
17 Nelson's testimony clearly categorized the ELN Trust and LSN Trust's property as community
18 property.
19

20 THE COURT FURTHER FINDS that Mr. Nelson's sworn testimony corroborates Mrs.
21 Nelson's claim that Mr. Nelson informed her throughout the marriage that the assets
22 accumulated in both the ELN Trust and LSN Trust were for the betterment of their family unit,
23 and, thus, the community.

24 THE COURT FURTHER FINDS Attorney Burr's testimony corroborated the fact that
25 the purpose of creating the spendthrift trusts was to "supercharge" the protection afforded
26 against creditors and was not intended to be a property settlement.
27

28 ...

1
2 THE COURT FURTHER FINDS that Attorney Burr testified that he discussed and
3 suggested that the Nelsons periodically transfer properties between the two trusts to ensure that
4 their respective values remained equal.

5 THE COURT FURTHER FINDS that Attorney Burr further testified that the values of
6 the respective trust could be equalized through gifting and even created a gifting form for the
7 parties to use to make gifts between the trusts.

8
9 THE COURT FURTHER FINDS that the Minutes from a Trust Meeting, dated
10 November 20, 2004, reflected that all Mississippi property and Las Vegas property owned by
11 the ELN Trust was transferred to the LSN trust as final payment on the 2002 loans from the
12 LSN to the ELN Trust and to "*level off the trusts*" (emphasis added).

13 THE COURT FURTHER FINDS that the evidence adduced at trial clearly established
14 the parties intended to maintain an equitable allocation of the assets between the ELN Trust and
15 the LSN Trust.

16
17 *Fiduciary Duty*

18 THE COURT FURTHER FINDS that the Nevada Supreme Court has articulated that a
19 fiduciary relationship exists between husbands and wives, and that includes a duty to "disclose
20 pertinent assets and factors relating to those assets." *Williams v. Waldman*, 108 Nev. 466, 472
21 (1992).

22 THE COURT FURTHER FINDS that Mr. Nelson owed a duty to his spouse, Mrs.
23 Nelson, to disclose all pertinent factors relating to the numerous transfers of the assets from the
24 LSN Trust to the ELN Trust.

25
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1
2 THE COURT FURTHER FINDS that Mrs. Nelson credibly testified that on numerous
3 occasions, Mr. Nelson requested that she sign documentation relating to the transfer of LSN
4 Trust assets to the ELN Trust. Mrs. Nelson further stated that she rarely questioned Mr. Nelson
5 regarding these matters for two reasons: (1) Mr. Nelson would become upset if she asked
6 questions due to his controlling nature concerning business and property transactions; and (2)
7 she trusted him as her husband and adviser.
8

9 THE COURT FURTHER FINDS that Mr. Nelson's behavior during the course of these
10 extended proceedings, as discussed in detail hereinafter, corroborates Mrs. Nelson's assertions
11 that Mr. Nelson exercises unquestioned authority over property and other business ventures and
12 loses control of his emotions when someone questions his authority.
13

14 THE COURT FURTHER FINDS that the evidence clearly established that Mr. Nelson
15 did not regularly discuss the factors relating to the numerous transfers of the assets from the
16 LSN Trust to the ELN Trust with Mrs. Nelson, and, therefore, violated his fiduciary duty to his
17 spouse.
18

19 THE COURT FURTHER FINDS that NRS 163.554 defines a fiduciary as a trustee...or
20 any other person, including an investment trust adviser, which is acting in a *fiduciary capacity*
21 for any person, trust or estate. See, NRS 163.554 (emphasis added).
22

23 THE COURT FURTHER FINDS that NRS 163.5557 defines an investment trust
24 adviser as a person, appointed by an instrument, to act in regard to investment decisions. NRS
25 163.5557 further states:

26 2. An investment trust adviser may exercise the powers provided
27 to the investment trust adviser in the instrument in the best interests of the
28 trust. **The powers exercised by an investment trust adviser are at the
sole discretion of the investment trust adviser and are binding on all other
persons.** The powers granted to an investment trust adviser may include,
without limitation, the power to:

- 1
2 (a) Direct the trustee with respect to the retention, purchase,
3 sale or encumbrance of trust property and the investment and
4 reinvestment of principal and income of the trust.
5 (b) Vote proxies for securities held in trust.
6 (c) Select one or more investment advisers, managers or counselors,
7 including the trustee, and delegate to such persons any of the powers
8 of the investment trust adviser.

9 See, NRS 163.5557 (emphasis added).

10 THE COURT FURTHER FINDS that Mr. Nelson continuously testified as to his role
11 as the investment trustee for both trusts, specifically testifying during cross examination on
12 September 1, 2010, as follows:

13 Q. Now you're the one that put title to those parcels
14 that we've talked about in the name of Dynasty, Bal Harbor,
15 Emerald Bay, Bay Harbor Beach Resorts and (indiscernible)
16 Financial Partnerships. Is that correct?

17 A. I believe so, yes.

18 Q. And you're the one that also put title in the name
19 of -- all the remaining lots in the name of LSN Nevada Trust.
20 Is that true?

21 A. Yes, sir.

22 THE COURT FURTHER FINDS that during his September 1st cross-examination, Mr.
23 Nelson also testified as to the assets located in Mississippi as follows:

24 Q. The height of the market was 18 months ago according
25 to your testimony?

26 A. No, no. But I'm just saying we could have -- the
27 this lawsuit's been pending for a while, sir. We did these
28 deeds mistake -- if you can -- if you reference back to it, it
shows -- shows Dynas -- it's my --

Q. Exhibit -- the Exhibit for the --

A. -- company. It shows Eric Nelson. That's my
company. We put them into Lynita's for community protection,
and she would not cooperate.

1
2
3 Q. You put them --

4 A. Yes, sir.

5 Q. -- into Lynita's?

6 A. Yes, sir --

7 Q. All right. Sir --

8 A. -- for *co -- unity wealth* (emphasis added).

9
10 THE COURT FURTHER FINDS that while the LSN Trust documents expressly named
11 Mrs. Nelson as investment trust adviser, the evidence clearly established that Mr. Nelson
12 exercised a pattern of continuous, unchallenged investment and property-transfer decisions for
13 both the ELN and the LSN Trusts, thereby illustrating that Mr. Nelson acted as the investment
14 trust adviser of the LSN Trust from its inception.

15 THE COURT FURTHER FINDS that the testimony of both parties clearly shows that,
16 pursuant to NRS 163.5557(2)(c), Mrs. Nelson delegated the duties of investment trustee to her
17 husband, Mr. Nelson.

18
19 THE COURT FURTHER FINDS that as the delegated investment trustee for the LSN
20 Trust, Mr. Nelson acted in a fiduciary capacity for Mrs. Nelson.³ Therefore, Mr. Nelson had a
21 duty to "disclose pertinent assets and factors relating to those assets".⁴

22 THE COURT FURTHER FINDS that, despite serving as the delegated investment
23 trustee for the LSN Trust, Mr. Nelson did not regularly discuss the pertinent factors relating to
24 the transfer of the assets from the LSN Trust to the ELN Trust, and, as such, violated the
25 fiduciary duty he owed to Mrs. Nelson and to the LSN Trust as the delegated investment trustee
26 to the LSN Trust.

27
28 ³ NRS 163.554.

⁴ *Williams v. Waldman*, 108 Nev. 466, 472 (1992).

1
2 THE COURT FURTHER FINDS that Mr. Nelson, in his dual role as a spouse and as
3 the delegated investment trustee for the LSN Trust, violated the fiduciary duties owed to Mrs.
4 Nelson and the LSN Trust.

5 ***Constructive Trust***
6

7 THE COURT FURTHER FINDS that Mr. Nelson's activities as the delegated
8 investment trustee for the LSN Trust in which he transferred numerous properties and assets
9 from the LSN Trust to the ELN Trust, unjustly resulted in the ELN Trust obtaining title to
10 certain properties that the LSN Trust formerly held.

11 THE COURT FURTHER FINDS that a legal remedy available to rectify this unjust
12 result is the Court's imposition of a constructive trust. The basic objective of a constructive
13 trust is to recognize and protect an innocent party's property rights. Constructive trusts are
14 grounded in the concept of equity. *Cummings v. Tinkle*, 91 Nev. 548, 550 (1975).
15

16 THE COURT FURTHER FINDS that the Nevada Supreme Court has held that a
17 constructive trust is proper when "(1) a confidential relationship exists between the parties; (2)
18 retention of legal title by the holder thereof against another would be inequitable; and (3) the
19 existence of such a trust is essential to the effectuation of justice." *Locken v. Locken*, 98 Nev.
20 369, 372 (1982).

21 THE COURT FURTHER FINDS that in *Locken*, the Nevada Supreme Court found that
22 an oral agreement bound a son to convey land to his father, as the father was to make certain
23 improvements to the land. The Court found that even though the father completed an affidavit
24 claiming no interest in the land, this act did not preclude him from enforcing the oral
25 agreement. *Id.*, at 373.
26
27
28

1
2 THE COURT FURTHER FINDS that the *Locken* court found that the imposition of a
3 constructive trust does not violate the statute of frauds as NRS 111.025 states:

4 1. No estate or interest in lands...nor any trust or power over or
5 concerning lands, or in any manner relating thereto, shall be created,
6 granted, assigned, surrendered or declared after December 2, 1861,
7 unless by act or operation of law, or by deed or conveyance, in writing, subscribed by
8 the party creating, granting, assigning, surrendering or
9 declaring the same, or by the party's lawful agent thereunto authorized
10 in writing.

11 2. Subsection 1 shall not be construed to affect in any manner the power
12 of a testator in the disposition of the testator's real property by a last will
13 and testament, **nor to prevent any trust from arising or being extinguished**
14 **by implication or operation of law.**

15 See, NRS 111.025 (Emphasis added).

16 THE COURT FURTHER FINDS that NRS 111.025(2) creates an exception to the
17 statute of frauds that allows for the creation of a constructive trust to remedy or prevent the
18 type of injustice that the statute seeks to prevent.

19 THE COURT FURTHER FINDS that in this case, we clearly have a confidential
20 relationship as the two parties were married at the time of the transfers. In addition, Mr. Nelson
21 acted as the investment trustee for the LSN Trust, which effectively created another
22 confidential relationship between him and Mrs. Nelson as she is the beneficiary of the LSN
23 Trust.

24 THE COURT FURTHER FINDS that while Mr. Nelson argues that no confidential
25 relationship existed between Mrs. Nelson and the ELN Trust, a confidential relationship clearly
26 existed between Mrs. Nelson and Mr. Nelson, who, as the beneficiary of the ELN Trust,
27 benefits greatly from the ELN Trust's acquisition and accumulation of properties.
28 ...

1
2 THE COURT FURTHER FINDS that the ELN Trust's retention of title to properties
3 that the LSN Trust previously held would be inequitable and would result in an unjust
4 enrichment of the ELN Trust to the financial benefit of Mr. Nelson and to the financial
5 detriment of the LSN Trust and Mrs. Nelson.

6 THE COURT FURTHER FINDS that Mrs. Nelson, as a faithful and supporting spouse
7 of thirty years, had no reason to question Mr. Nelson regarding the true nature of the assets that
8 he transferred from the LSN Trust to the ELN Trust.

9
10 THE COURT FURTHER FINDS that Mr. Nelson argues that the imposition of a
11 constructive trust is barred in this instance because Mrs. Nelson benefitted from the creation
12 and implementation of the trust and cites the Nevada Supreme Court ruling in *DeLee v.*
13 *Roggen*, to support his argument. 111 Nev. 1453 (1995).

14 THE COURT FURTHER FINDS that in *DeLee*, the party seeking the imposition of the
15 constructive trust made no immediate demands because he knew that his debtors would lay
16 claim to the property. The court found that a constructive trust was not warranted because the
17 creation of the trust was not necessary to effectuate justice. *Id.*, at 1457.

18
19 THE COURT FURTHER FINDS that unlike *DeLee*, Mrs. Nelson made no demand for
20 the property because Mr. Nelson assured her that he managed the assets in the trusts for the
21 benefit of the community. Consequently, Mrs. Nelson did not have notice that the LSN Trust
22 should reclaim the property.

23 THE COURT FURTHER FINDS that while Mr. Nelson acted as the investment trustee
24 for both the ELN and LSN Trust respectively, the properties never effectively left the
25 community. Consequently, Mrs. Nelson never thought that she needed to recover the
26 properties on behalf of the LSN Trust. Mrs. Nelson was not advised that she was not entitled to
27
28

1
2 the benefit of the assets transferred from the LSN Trust to the ELN Trust under the direction of
3 Mr. Nelson until the ELN Trust joined the case as a necessary party.

4 THE COURT FURTHER FINDS that allowing the ELN Trust to acquire property from
5 the LSN Trust under the guise that these property transfers benefitted the community,
6 effectively deprives Mrs. Nelson of the benefit of those assets as beneficiary under the LSN
7 Trust, and will ultimately result in Mr. Nelson, as beneficiary of the ELN Trust, being unjustly
8 enriched at the expense of Mrs. Nelson.
9

10 THE COURT FURTHER FINDS that, as addressed in detail below, the Court will
11 impose a constructive trust on the following assets: (1) 5220 East Russell Road Property; (2)
12 3611 Lindell Road.

13 THE COURT FURTHER FINDS that as to the Russell Road property, according to the
14 report prepared by Larry Bertsch, the court-appointed forensic accountant, Mr. Nelson, as the
15 investment trustee for the LSN Trust, purchased the property at 5220 E. Russell Road on
16 November 11, 1999, for \$855,945. Mr. Nelson's brother, Cal Nelson, made a down payment of
17 \$20,000 and became a 50% owner of the Russell Road Property despite this paltry
18 contribution.⁵ Cal Nelson and Mrs. Nelson later formed CJE&L, LLC, which rented this
19 property to Cal's Blue Water Marine. Shortly thereafter, CJE&L, LLC obtained a \$3,100,000
20 loan for the purpose of constructing a building for Cal's Blue Water Marine.⁶
21
22

23 THE COURT FURTHER FINDS that in 2004, Mrs. Nelson signed a guarantee on the
24 flooring contract for Cal's Blue Water Marine. She subsequently withdrew her guarantee and
25 the LSN Trust forfeited its interest in the property to Cal Nelson. While Mr. Nelson argues that
26 the release of Mrs. Nelson as guarantor could be consideration, the flooring contract was never
27

28 ⁵ Mr. Nelson testified that Cal Nelson also assumed a \$160,000 liability arising from a transaction by Mr. Nelson involving a Las Vegas Casino.

⁶ Defendant's Exhibit GGGGG

1
2 produced at trial and no value was ever assigned as to Mrs. Nelson's liability. Furthermore, the
3 Declaration of Value for Tax Purposes indicates that it was exempted from taxation due to
4 being a "transfer without consideration for being transferred to or from a trust."⁷ As such, the
5 alleged consideration was never established and appears to be illusory, and, accordingly, the
6 LSN Trust received no compensation from the Russell Road transaction.⁸

7
8 THE COURT FURTHER FINDS that in February 2010, Mr. Nelson purchased a 65%
9 interest in the Russell Road property, with Cal Nelson retaining a 35% interest in the property.

10 THE COURT FURTHER FINDS that on May 27, 2011, the Russell Road property was
11 sold for \$6,500,000. As part of the sale, Mr. Nelson testified that the ELN Trust made a
12 \$300,000 loan to the purchaser for improvements to the property, however, a first note/deed
13 was placed in the name of Julie Brown in the amount \$300,000 for such property improvement
14 loan. Due to the ambiguity as to who is entitled to repayment of the \$300,000 loan (ELN Trust
15 or Julie Brown), the Court is not inclined at this time to include such loan into the calculation
16 as to the ELN Trust's interest in the property.

17
18 THE COURT FURTHER FINDS that a second note/deed was placed on the Russell
19 Road property in the amount of \$295,000 to recapture all back rents and taxes.

20 THE COURT FURTHER FINDS that through a series of notes/deeds, the ELN Trust is
21 currently entitled to 66.67% of the \$6,500,000 purchase price and 66.67% of the \$295,000
22 note/deed for rents and taxes. Therefore, the ELN Trust and Mr. Nelson are entitled to
23 proceeds in the amount of \$4,530,227 (\$4,333,550 + \$196,677) from the Russell Road property
24 transaction.⁹

25
26 ...

27 ⁷ Defendant's Exhibit UUUU

28 ⁸ Id.

⁹ Defendant's Exhibit GGGG.

1
2 THE COURT FURTHER FINDS that because the LSN Trust was not compensated for
3 transferring its interest in Russell Road, under the advice and direction of Mr. Nelson, it would
4 be inequitable to allow the ELN Trust to retain its full 66.67% interest in the property to the
5 detriment of the LSN Trust. Therefore, the Court hereby imposes a constructive trust over half
6 of the ELN Trust 66.67% ownership interest in the Russell Road property on behalf of the LSN
7 Trust. As such, the LSN Trust is entitled to a 50% interest of the ELN Trust's 66.67%
8 ownership interest, resulting in the LSN Trust effectively receiving an overall one-third interest
9 in the Russell Road property with a value of \$2,265,113.50 ($\$4,333,550 + \$196,677 \times 1/2$).
10

11 THE COURT FURTHER FINDS that as to the 3611 Lindell property, on August 22,
12 2001, the entire interest in the property was transferred to the LSN trust from Mrs. Nelson's
13 1993 revocable trust.

14 THE COURT FURTHER FINDS that on March 22, 2007, a 50% interest in the Lindell
15 property was transferred to the ELN Trust at the direction of Mr. Nelson without any
16 compensation to the LSN Trust. Review of the Grant, Bargain, Sale Deed allegedly executed
17 by Mrs. Nelson on said date clearly reflects a signature not consistent with Mrs. Nelson's
18 signature when compared to the numerous documents signed by Mrs. Nelson and submitted to
19 this Court. As such, the validity of the transfer of the 50% interest of the LSN Trust to the ELN
20 Trust is seriously questioned.¹⁰
21

22 THE COURT FURTHER FINDS that while Mr. Gerety testified that consideration for
23 the 50% interest being transferred to the ELN Trust was the transfer of the Mississippi property
24 to the LSN, the court did not find such testimony credible as it appears that the transfer of the
25 Mississippi property occurred in 2004, whereas, the Lindell transfer to the ELN Trust was in
26 2007. In addition, the testimony was not clear as to which Mississippi properties were involved
27

28 ¹⁰ Defendant's Exhibit PPPP.

1
2 in the alleged transfer and no credible testimony as to the value of the Mississippi property was
3 presented. Accordingly, any alleged consideration for the transfer of the 50% interest in the
4 Lindell property from the LSN Trust to the ELN Trust is illusory.

5 THE COURT FURTHER FINDS that because the LSN Trust was not compensated for
6 transferring a 50% interest in the Lindell property to the ELN Trust, under the advice and
7 direction of Mr. Nelson, it would inequitable to allow the ELN Trust to retain a 50% interest in
8 the property.
9

10 THE COURT FURTHER FINDS that the Court imposes a constructive trust over the
11 ELN Trust's 50% interest in the Lindell property; therefore, the LSN Trust is entitled to 100%
12 interest in the Lindell property, with an appraised value of \$1,145,000.

13 *Unjust Enrichment*
14

15 THE COURT FURTHER FINDS that to allow the ELN Trust to retain the benefits
16 from the sale of the High Country Inn, which will be addressed hereinafter, to the detriment of
17 the LSN Trust, would result in the unjust enrichment of the ELN Trust at the expense of the
18 LSN Trust.

19 THE COURT FURTHER FINDS that on January 11, 2000, the High Country Inn was
20 initially purchased by Mrs. Nelson's Revocable 1993 Trust.¹¹ While multiple transfer deeds
21 were executed with related parties (e.g. Grotta Financial Partnership, Frank Soris) at the
22 direction of Mr. Nelson, the LSN Trust owned the High Country Inn. On January 18, 2007, Mr.
23 Nelson, as investment trustee for both the ELN Trust and the LSN Trust, was the sole
24 orchestrator of the transfer of the High Country Inn from the LSN Trust to the ELN Trust.
25

26 ...

27 ...

28 ¹¹ The Nelson Trust would later transfer its interest in the High Country Inn to the LSN Trust on 5/30/01.

1
2 THE COURT FURTHER FINDS that on January 19, 2007, the ELN Trust sold the
3 High Country Inn for \$1,240,000 to Wyoming Lodging, LLC, with the proceeds from the sale
4 being placed directly into the bank account of ELN Trust,¹² without any compensation being
5 paid to the LSN Trust.
6

7 THE COURT FURTHER FINDS that in a fashion similar to the Russell Road
8 transaction, the ELN Trust provided no consideration to the LSN Trust. Further, it is quite
9 apparent that Mr. Nelson never intended to compensate the LSN Trust as evidenced by Mr.
10 Nelson's 2007 Tax Return Form, which listed both the sale of "Wyoming Hotel" (High
11 Country Inn) and "Wyoming OTB" (Off Track Betting) on his Form 1040 Schedule D.¹³
12

13 THE COURT FURTHER FINDS that allowing the ELN Trust to retain the benefit of
14 the proceeds from the sale of the High Country Inn would be unjust, and, accordingly, the LSN
15 Trust is entitled to just compensation. As such, an amount equal to the proceeds from the sale,
16 or in the alternative, property with comparable value, should be transferred to the LSN Trust to
17 avoid the ELN Trust from being unjustly enriched.

18 THE COURT FURTHER FINDS that Mr. Nelson created Banone, LLC on November
19 15, 2007, the same year that he sold High Country Inn.¹⁴ The Operating Agreement lists the
20 ELN Trust as the Initial Sole Member of the company, meaning that Banone, LLC is an asset
21 of the ELN Trust and that all benefits received from the managing of this company are
22 conferred to Mr. Nelson, as beneficiary of the ELN Trust.
23
24
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27 ¹² On January 24, 2007, Uinta Title & Insurance wired proceeds in the total amount of \$1,947,153.37 (\$1,240,000
28 for High Country Inn and \$760,000 for the Off Track Betting Rights) to the ELN Trust's bank account.

¹³ Defendant's Exhibit NNNN.

¹⁴ Plaintiff's Exhibit 10K.

1
2 THE COURT FURTHER FINDS that Banone, LLC, currently holds seventeen
3 Nevada properties worth \$1,184,236.¹⁵

4 THE COURT FURTHER FINDS that equity and justice demands that the LSN Trust
5 receive just compensation in the amount of \$1,200,000 for the sale of the High Country Inn in
6 order to avoid the ELN Trust from being unjustly enriched, and, therefore, the LSN Trust
7 should be awarded the Banone, LLC, properties held by ELN Trust, with a comparable value of
8 \$1,184,236.
9

10 THE COURT FURTHER FINDS that there were additional transfers from the LSN
11 Trust to the ELN Trust, without just compensation, which financially benefitted the ELN Trust
12 to the detriment of the LSN Trust, specifically regarding the Tierra del Sol property,
13 Tropicana/Albertson property and the Brianhead cabin.
14

15 THE COURT FURTHER FINDS that as to the Tierra del Sol property, the entire
16 interest in the property was initially held in Mrs. Nelson's Revocable Trust and was
17 subsequently transferred to the LSN Trust on or about October 18, 2001.

18 THE COURT FURTHER FINDS that the Tierra del Sol property was sold in August 5,
19 2005, for \$4,800,000. Out of the proceeds from the first installment payment, Mr. Nelson had a
20 check issued from the LSN Trust account in the amount of \$677,717.48 in payment of a line of
21 credit incurred by Mr. Nelson against the Palmyra residence, which was solely owned by the
22 LSN Trust. From the proceeds for the second installment payment, the ELN Trust received
23 proceeds in the amount of \$1,460,190.58. As such, the ELN Trust received proceeds from the
24 sale of the Tierra del Sol property despite having no ownership interest in the property.
25

26 ...

27 ...

28 ¹⁵ Defendant's Exhibit GGGGG.

1
2 THE COURT FURTHER FINDS that while Mr. Gerety testified that the ELN Trust
3 paid federal taxes in the amount of \$509,400 and Arizona taxes in the amount \$139,240 for a
4 total of \$648,640 on behalf of the LSN Trust from the proceeds received by the ELN Trust
5 from the sale of the Tierra del Sol property, that would still leave over \$800,000 that the ELN
6 Trust received despite having no ownership interest in the Tierra del Sol property.

7
8 THE COURT FURTHER FINDS that as to the Tropicana/Albertson's property, the
9 ELN Trust transferred a 50% interest in the property to the LSN Trust in November of 2004 in
10 consideration of an \$850,000 loan to the ELN Trust from the LSN Trust.

11 THE COURT FURTHER FINDS that Minutes dated November 20, 2004, reflected that
12 all Mississippi property and Las Vegas property owned by the ELN Trust was transferred to the
13 LSN trust as final payment on the 2002 loans from the LSN to the ELN Trust and to "level off
14 the trusts." It must be noted that in November of 2004 the only Las Vegas property owned by
15 the ELN Trust was the Tropicana/Albertson property.

16 THE COURT FURTHER FINDS that in 2007, Mr. Nelson had the LSN Trust deed
17 back the Tropicana/Albertson property to the ELN Trust, without compensation, and then sold
18 the property the same day, resulting in the ELN Trust receiving all the proceeds from the sale
19 of the property in the amount of \$966,780.23.

20
21 THE COURT FURTHER FINDS that as to the Brianhead cabin, the entire interest was
22 held by the LSN Trust.

23 THE COURT FURTHER FINDS that on May 22, 2007, a 50% interest in the
24 Brianhead cabin was transferred to the ELN Trust at the direction of Mr. Nelson without any
25 compensation to the LSN Trust.

26 ...
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2 THE COURT FURTHER FINDS that while Mr. Gerety testified that consideration for
3 the 50% interest in the Brianhead cabin being transferred to the ELN Trust was the transfer of
4 the Mississippi property to the LSN, the court did not find such testimony credible as it appears
5 that the transfer of the Mississippi property occurred in 2004, whereas, the Brianhead cabin
6 transfer to the ELN Trust was in 2007. In addition, the testimony was not clear as to which
7 Mississippi properties were involved in the alleged transfer and no credible testimony as to the
8 value of the Mississippi property was presented. Accordingly, any alleged consideration for the
9 transfer of the 50% interest in the Brianhead cabin property from the LSN Trust to the ELN
10 Trust is illusory.
11

12 THE COURT FURTHER FINDS that the transfers from the LSN Trust to the ELN
13 Trust regarding the Tierra del Sol property, the Tropicana/Albertson property and the
14 Brianhead cabin all financially benefitted the ELN Trust to the financial detriment of the LSN
15 Trust.
16

17 THE COURT FURTHER FINDS that throughout the history of the Trusts, there were
18 significant loans from the LSN Trust to the ELN Trust, specifically: \$172,293.80 loan in May
19 of 2002; \$700,000 loan in October of 2003; \$250,000 loan in December of 2005 which resulted
20 in a total amount of \$576,000 being borrowed by the ELN Trust from the LSN Trust in 2005.
21

22 THE COURT FURTHER FINDS that while testimony was presented regarding
23 repayments of the numerous loans via cash and property transfers, the Court was troubled by
24 the fact that the loans were always going from the LSN Trust to the ELN Trust and further
25 troubled by the fact that the evidence failed to satisfactorily establish that all of the loans were
26 in fact paid in full.
27
28

1
2 THE COURT FURTHER FINDS that the evidence clearly established that Mr. Nelson
3 exhibited a course of conduct in which he had significant property transferred, including loans,
4 from the LSN Trust to the ELN Trust which benefited the ELN Trust to the detriment of the
5 LSN Trust, and, as such, justice and equity demands that the LSN Trust receive compensation
6 to avoid such unjust enrichment on the part of the ELN Trust.
7

8 *Credibility*

9 THE COURT FURTHER FINDS that during the first six days of trial held in 2010, Mr.
10 Nelson repeatedly testified that the actions he took were on behalf of the community and that
11 the ELN Trust and LSN Trust were part of the community.

12 THE COURT FURTHER FINDS that during the last several weeks of trial in 2012, Mr.
13 Nelson changed his testimony to reflect his new position that the ELN Trust and the LSN Trust
14 were not part of the community and were the separate property of the respective trusts.
15

16 THE COURT FURTHER FINDS that Mr. Nelson failed to answer questions in a direct
17 and forthright manner throughout the course of the proceedings.

18 THE COURT FURTHER FINDS that Mr. Nelson argued in the Motion to Dissolve
19 Injunction requesting the release of \$1,568,000, which the Court had ordered be placed in a
20 blocked trust account and enjoined from being released, that the ELN Trust "has an opportunity
21 to purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00;
22 however, the ELN will be unable to do so unless the Injunction is dissolved."
23

24 THE COURT FURTHER FINDS that despite the Court's denial of the request to
25 dissolve the injunction, the ELN Trust via Dynasty Development Group, LLC, completed the
26 transaction and reacquired Wyoming Downs at a purchase price of \$440,000. The completion
27
28

1
2 of the purchase, without the dissolution of the injunction, evinced that Mr. Nelson misstated the
3 ELN Trust's financial position, or at the very least was less than truthful with this Court.

4 THE COURT FURTHER FINDS that it should be noted that in an attempt to
5 circumvent this Court's injunction regarding the \$1,568,000, Mr. Nelson had a Bankruptcy
6 Petition filed in the United States Bankruptcy Court, District of Nevada, on behalf of the
7 Dynasty Development Group, LLC, requesting that the \$1,568,000 be deemed property of the
8 Debtor's bankruptcy estate; however, the bankruptcy court found that this Court had exclusive
9 jurisdiction over the \$1,568,000 and could make whatever disposition of the funds without
10 regard to the Debtor's bankruptcy filing.

11 THE COURT FURTHER FINDS that based upon Mr. Nelson's change of testimony
12 under oath, his repeated failure to answer questions in a direct and forthright manner, his less
13 that candid testimony regarding the necessity of dissolving the injunction in order to purchase
14 the Wyoming race track and RV park, and his attempt to circumvent the injunction issued by
15 this Court clearly reflect that Mr. Nelson lacks credibility.

16 THE COURT FURTHER FINDS that United States Bankruptcy Judge, Neil P. Olack,
17 of the Southern District of Mississippi, cited similar concerns as to Mr. Nelson's credibility
18 during a bankruptcy proceeding held on June 24, 2011, regarding Dynasty Development
19 Group, LLC. Specifically, Judge Olack noted that as a witness, Mr. Nelson simply lacked
20 credibility in that he failed to provide direct answers to straight forward questions, which gave
21 the clear impression that he was being less than forthcoming in his responses.¹⁶
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¹⁶ Defendant's Exhibit QQQQ.

1
2 THE COURT FURTHER FINDS that Bankruptcy Judge Olack found that the evidence
3 showed that Mr. Nelson depleted the assets of Dynasty on the eve of its bankruptcy filing in
4 three separate transfers, and, subsequently, dismissed the Bankruptcy Petition.¹⁷

5 THE COURT FURTHER FINDS that Mr. Nelson's behavior and conduct during the
6 course of these proceedings has been deplorable. This Court has observed Mr. Nelson angrily
7 bursting from the courtroom following hearings.

8 THE COURT FURTHER FINDS that Mr. Nelson has repeatedly exhibited
9 inappropriate conduct towards opposing counsel, Mr. Dickerson, including, cursing at him,
10 leaving vulgar voice messages on his office phone and challenging him to a fight in the parking
11 lot of his office.

12 THE COURT FURTHER FINDS that Mr. Nelson's deplorable behavior also included
13 an open and deliberate violation of the Joint Preliminary Injunction that has been in place since
14 May 18, 2009. On 12/28/2009, Mr. Nelson purchased the Bella Kathryn property and
15 subsequently purchased the adjoining lot on 8/11/2010. Currently, with improvements to the
16 properties factored in, a total of \$1,839,495 has been spent on the Bella Kathryn property.

17 THE COURT FURTHER FINDS that Mr. Nelson was living in the Harbor Hills
18 residence upon his separation from Mrs. Nelson and could have remained there indefinitely
19 pending the conclusion of these proceedings, however, he chose to purchase the Bella Kathryn
20 residence in violation of the JPI simply because he wanted a residence comparable to the
21 marital residence located on Palmyra.

22 ...

23 ...

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28 ¹⁷ Defendant's Exhibit QQQQ.

1
2 THE COURT FURTHER FINDS that due to Mr. Nelson's willful and deliberate
3 violation of the JPI, the Bella Kathryn property will be valued at its "costs" in the amount of
4 \$1,839,495 and not at its appraised value of \$925,000 as a sanction for Mr. Nelson's
5 contemptuous behavior.
6

7 THE COURT FURTHER FINDS that as to Mr. Daniel Gerety, who testified as an
8 expert witness on behalf of the ELN Trust and Mr. Nelson, he based his report solely on
9 information and documentation provided to him by Mr. Nelson. It appears that Mr. Gerety
10 made no effort to engage Mrs. Nelson or her counsel in the process. In the Understanding of
11 Facts section of his report, Mr. Gerety repeatedly used the phrases "I have been told" or "I am
12 advised".¹⁸ Since Mr. Gerety considered statements from Mr. Nelson and others who were in
13 support of Mr. Nelson, an impartial protocol would dictate that he obtain statements from Mrs.
14 Nelson and her counsel in order to have a full and complete framework to fairly address the
15 issues at hand.
16

17 THE COURT FURTHER FINDS that Mr. Gerety has maintained a financially
18 beneficial relationship with Mr. Nelson dating back to 1998. This relationship, which has netted
19 Mr. Gerety many thousands of dollars in the past and is likely to continue to do so in the future,
20 calls in question his impartiality.
21

22 THE COURT FURTHER FINDS that while Mr. Gerety submitted documentation
23 allegedly outlining every transaction made by the ELN Trust from its inception through
24 September 2011, and "tracing" the source of funds used to establish Banone, LLC, this Court
25 found that Mr. Gerety's testimony was not reliable, and, as such, the Court found it to be of
26 little probative value.
27

28

¹⁸ Intervenor's Exhibit 168.

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2 THE COURT FURTHER FINDS that as to Rochelle McGowan, she has had an
3 employment relationship with Mr. Nelson dating back to 2001, and was the person primarily
4 responsible for regularly notarizing various documents executed by Mr. and Mrs. Nelson on
5 behalf of the ELN Trust and LSN Trust, respectively.

6 THE COURT FURTHER FINDS that it was the regular practice for Mr. Nelson to
7 bring documents home for Mrs. Nelson's execution and to return the documents the following
8 day to be notarized by Ms. McGowan.

9
10 THE COURT FURTHER FINDS that the testimony of Ms. McGowan indicating that
11 she would contact Mrs. Nelson prior to the notarization of her signature is not credible as the
12 Court finds it difficult to believe that Ms. McGowan would actually contact Mrs. Nelson
13 directly every time prior to notarizing the documents.

14 *Lack of Trust Formalities*

15 THE COURT FURTHER FINDS that the formalities outlined within the ELN Trust and
16 the LSN Trust were not sufficiently and consistently followed. Article eleven, section 11.3, of
17 both trusts provides that Attorney Burr, as Trust Consultant, shall have the right to remove any
18 trustee, with the exception of Mr. Nelson and Mrs. Nelson, provided that he gives the current
19 trustee ten days written notice of their removal.
20

21 THE COURT FURTHER FINDS that Attorney Burr testified that on February 22,
22 2007, at Mr. Nelson's request, he removed Mr. Nelson's employee, Lana Martin, as
23 Distribution Trustee of both the ELN Trust and the LSN Trust and appointed Mr. Nelson's
24 sister, Nola Harber, as the new Distribution Trustee for both trusts. Attorney Burr further
25 testified that he did not provide Ms. Martin with ten days notice as specified in the trusts
26 documents. In June 2011, at Mr. Nelson's request, Attorney Burr once again replaced the
27
28

1
2 Distribution Trustee for the ELN Trust, without providing ten days notice, by replacing Nola
3 Harber with Lana Martin.

4 THE COURT FURTHER FINDS that the ELN Trust and LSN Trust documents require
5 that a meeting of the majority of the trustees be held prior to any distribution of trust income or
6 principal. During the meetings, the trustees must discuss the advisability of making
7 distributions to the ELN Trust Trustor, Mr. Nelson, and the LSN Trust Trustor, Mrs. Nelson. At
8 that time, a vote must take place and the Distribution Trustee must provide an affirmative vote.
9

10 THE COURT FURTHER FINDS that the testimony of Lana Martin and Nola Harber
11 indicate that neither one of them ever entered a negative vote in regards to distributions to Mr.
12 Nelson or Mrs. Nelson. The testimony also reflected that neither one of them ever advised Mr.
13 Nelson or Mrs. Nelson on the feasibility of making such distributions.
14

15 THE COURT FURTHER FINDS that while Ms. Martin and Ms. Harber testified that
16 they had the authority to approve or deny the distributions to Mr. Nelson under the ELN Trust
17 and to Mrs. Nelson under the LSN Trust, that despite literally hundreds of distributions
18 requests, they never denied even a single distribution request. Therefore, Ms. Martin and Ms.
19 Harber were no more than a "rubber stamp" for Mr. Nelson's directions as to distributions to
20 Mr. Nelson and Mrs. Nelson.
21

22 THE COURT FURTHER FINDS that while the ELN Trust produced multiple Minutes
23 of alleged meetings; this Court seriously questions the authenticity of the submitted
24 documentation. Specifically, several of the Minutes were unsigned, the authenticity of the
25 signatures reflected on some of the Minutes were questionable, and several of the Minutes
26 reflected that the meetings were held at the office of Attorney Burr while the testimony clearly
27 established that no such meetings ever occurred at his law office.
28

1
2 THE COURT FURTHER FINDS that Daniel Gerety testified that he had to make
3 numerous adjustments to correct bookkeeping and accounting errors regarding the two trusts by
4 utilizing the entries "Due To" and "Due From" to correctly reflect the assets in each trust.

5 THE COURT FURTHER FINDS that the numerous bookkeeping and accounting
6 errors, in conjunction with the corresponding need to correct the entries to accurately reflect the
7 assets in each trust, raises serious questions as to whether the assets of each trust were truly
8 being separately maintained and managed.
9

10 THE COURT FURTHER FINDS that the lack of formalities further emphasizes the
11 amount of control that Mr. Nelson exerted over both trusts and that he did indeed manage both
12 trust for the benefit of the community.

13 THE COURT FURTHER FINDS that while the Court could invalidate both Trusts
14 based upon the lack of Trust formalities, this Court is not inclined to do so since invalidation of
15 the Trusts could have serious implications for both parties in that it could expose the assets to
16 the claims of creditors, thereby, defeating the intent of the parties to "supercharge" the
17 protection of the assets from creditors.
18

19 *Liabilities*

20 THE COURT FURTHER FINDS that while Mr. Nelson argued that he and the ELN
21 Trust were subject to numerous liabilities, this Court did not find any documented evidence to
22 support such claims except for the encumbrance attached to the newly reacquired Wyoming
23 Downs property.
24

25 ...

26 ...

1
2 THE COURT FURTHER FINDS that Mr. Bertsch's report addresses several
3 unsupported liabilities alleged by Mr. Nelson. Specifically, Mr. Nelson reported a contingent
4 liability attached to the property located in the Mississippi Bay, however, no value was given to
5 the liability.¹⁹

6
7 THE COURT FURTHER FINDS that the Bertsch report indicated that several of the
8 liabilities were actually options held by subsidiaries that Mr. Nelson owns or options held by
9 relatives of Mr. Nelson, and, as such, were not true liabilities.²⁰

10 THE COURT FURTHER FINDS that while Mr. Nelson represented that a \$3,000,000
11 lawsuit was threatened by a third-party in regards to a transaction involving the Hideaway
12 Casino, no evidence was submitted to the Court that any such lawsuit had in fact been filed.

13 THE COURT FURTHER FINDS that the only verified liability is the loan attached to
14 Wyoming Downs. As mentioned above, Mr. Nelson, via Dynasty Development Group,
15 purchased Wyoming Downs in December 2011 for \$440,000 and subsequently obtained a loan
16 against the property.

17
18 THE COURT FURTHER FINDS that outside of the encumbrance attached to the
19 Wyoming Downs property, the liabilities alleged by Mr. Nelson have not been established as
20 true liabilities and are based on mere speculations and threats.

21 *Community Waste*

22
23 THE COURT FURTHER FINDS that the Nevada Supreme Court case of *Lofgren v.*
24 *Lofgren* addressed community waste and found that the husband wasted community funds by
25 making transfers/payments to family members, using the funds to improve the husband's home
26 and using the funds to furnish his new home. *Lofgren v. Lofgren*, 112 Nev. 1282, 1284 (1996).

27
28 ¹⁹ Defendant's Exhibit GGGGG.

²⁰ Id.

1
2 THE COURT FURTHER FINDS that evidence was adduced at trial that the transfers to
3 Mr. Nelson's family members were to compensate them for various services rendered and for
4 joint-investment purposes, and while some of the family transfers were indeed questionable,
5 Mr. Bertsch, the forensic accountant, testified that 1099s were provided to document income
6 paid and loan repayments to Mr. Nelson's family members.²¹
7

8 THE COURT FURTHER FINDS that transfers to Mr. Nelson's family members appear
9 to have been part of Mr. Nelson's regular business practices during the course of the marriage
10 and that Mrs. Nelson has always been aware of this practice and never questioned such
11 transfers prior to the initiation of these proceedings.
12

13 THE COURT FURTHER FINDS that Mrs. Nelson failed to establish that the transfers
14 to Mr. Nelson's family members constituted waste upon the community estate.
15

16 THE COURT FURTHER FINDS that as to Mr. Nelson's purchase, improvement and
17 furnishing of the Bella Kathryn residence via the ELN Trust, the ELN Trust and Mr. Nelson are
18 being sanctioned by this Court by valuing such property at "costs" in the amount of \$1,839,495
19 instead of at its appraised value of \$925,000, and, accordingly, it would be unjust for this Court
20 to further consider the Bella Kathryn property under a claim of community waste.

21 *Child Support*

22 THE COURT FURTHER FINDS that Mrs. Nelson is entitled to child support arrears
23 pursuant to NRS 125B.030 which provides for the physical custodian of the children to recover
24 child support from the noncustodial parent.
25
26
27

28 ²¹ Mr. Bertsch did not confirm whether or not the 1099s were filed with the IRS as that was not within the scope of his assigned duties.

1
2 THE COURT FURTHER FINDS that the parties separated in September of 2008 when
3 Mr. Nelson permanently left the marital residence, and, therefore, Mrs. Nelson is entitled to
4 child support payments commencing in October 2008.

5 THE COURT FURTHER FINDS that Mr. Nelson's monthly earnings throughout the
6 course of these extended proceedings exceeded the statutory presumptive maximum income
7 range of \$14,816 and places his monthly child support obligation at the presumptive maximum
8 amount which has varied from year to year.
9

10 THE COURT FURTHER FINDS that Mr. Nelson's child support obligation
11 commencing on October 1, 2008 through May 31, 2013, inclusive, is as follows:

12 October 1, 2008 - June 30, 2009 = [(2 children x \$968) x 9 months] = \$17,424
13 July 1, 2009 - June 30, 2010 = [(2 children x \$969) x 12 months] = \$23,256
14 July 1, 2010 - June 30, 2011 = [(2 children x \$995) x 12 months] = \$23,880
15 July 1, 2011 - June 30, 2012 = [(2 children x \$1010) x 12 months] = \$24,240
16 July 1, 2012 - May 31, 2013 = [(2 children x \$1040) x 11 months] = \$22,880
17 **Total = \$111,680**

18 THE COURT FURTHER FINDS that Mr. Bertsch's report indicates that Mr. Nelson
19 has spent monies totaling \$71,716 on the minor children since 2009, to wit:

20 2009: Carli = \$14,000; Garrett = \$5,270;
21 2010: Carli = \$9,850; Garrett = \$29,539;
22 2011: Carli = \$8,630; Garrett = \$4,427
23 **Total = \$71,716**
24
25
26
27
28

1
2 THE COURT FURTHER FINDS that NRS 125B.080(9) describes the factors that the
3 Court must consider when adjusting a child support obligation. The factors to consider are:

- 4 (a) The cost of health insurance;
5 (b) The cost of child care;
6 (c) Any special educational needs of the child;
7 (d) The age of the child;
8 (e) The legal responsibility of the parents for the support of others;
9 (f) The value of services contributed by either parent;
10 (g) Any public assistance paid to support the child;
11 (h) Any expenses reasonably related to the mother's pregnancy and confinement;
12 (i) The cost of transportation of the child to and from visitation if the custodial parent
13 moved with the child from the jurisdiction of the court which ordered the support
14 and the noncustodial parent remained;
15 (j) The amount of time the child spends with each parent;
16 (k) Any other necessary expenses for the benefit of the child; and
17 (l) The relative income of both parents.

18 THE COURT FURTHER FINDS that, while the information provided to the Court does
19 not itemize the exact nature of the expenditures by Mr. Nelson on behalf of the children, NRS
20 125B.080(9)(k) does provide for a deviation for any other necessary expenses for the benefit of
21 the child.

22 THE COURT FURTHER FINDS that considering the fact that \$71,716 is a relatively
23 large sum of money, it would appear that fairness and equity demands that Mr. Nelson be given
24 some credit for the payments he made on behalf of the children. Therefore, the Court is inclined
25 to give Mr. Nelson credit for \$23,905 (one-third of the payments made on behalf of the
26 children), resulting in child support arrears in the amount of \$87,775.

27 THE COURT FURTHER FINDS that, while Mr. Nelson did spend a rather significant
28 amount of monies on the children dating back to 2009, Mr. Nelson did not provide any monies
whatsoever to Mrs. Nelson in support of the minor children, and, as such, crediting Mr. Nelson
with only one-third of such payments on behalf of the children seems quite fair and reasonable.

1
2 THE COURT FURTHER FINDS that Mrs. Nelson is entitled to current child support in
3 the amount of \$1,040 a month per child commencing June 1, 2013 through June 30, 2013 for a
4 monthly total of \$2,080.

5 THE COURT FURTHER FINDS that subject minor, Garrett, is 18 years old and will be
6 graduating from high school in June of 2013, and, as such, Mr. Nelson's child support
7 obligation as to Garrett ends on June 30, 2013.

8
9 THE COURT FURTHER FINDS that beginning July 1, 2013, Mr. Nelson's child
10 support obligation as to Carli will be \$1,058 per month.

11 *Spousal Support*

12 THE COURT FURTHER FINDS that NRS 125.150 provides as follows:

13 1. In granting a divorce, the court:

- 14 (a) May award such alimony to the wife or to the husband, in a specified principal sum or as
15 specified periodic payments, as appears just and equitable; and
16 (b) Shall, to the extent practicable, make an equal disposition of the community property of the
17 parties, except that the court may make an unequal disposition of the community property in
18 such proportions as it deems just if the court finds a compelling reason to do so and sets forth in
19 writing the reasons for making the unequal disposition

20 THE COURT FURTHER FINDS that the Nevada Supreme Court has outlined seven
21 factors to be considered by the court when awarding alimony such as: (1) the wife's career prior
22 to marriage; (2) the length of the marriage; (3) the husband's education during the marriage; (4)
23 the wife's marketability; (5) the wife's ability to support herself; (6) whether the wife stayed
24 home with the children; and (7) the wife's award, besides child support and alimony. *Sprenger*
25 v. *Sprenger*, 110 Nev. 855, 859 (1974).

26 THE COURT FURTHER FINDS that the Nelsons have been married for nearly thirty
27 years; that their earning capacities are drastically different in that Mr. Nelson has demonstrated
28 excellent business acumen as reflected by the large sums of monies generated through his
multiple business ventures and investments; that Mrs. Nelson only completed a year and a half

1
2 of college and gave up the pursuit of a career outside of the home to become a stay at home
3 mother to the couple's five children; that Mrs. Nelson's career prior to her marriage and during
4 the first few years of her marriage consisted of working as a receptionist at a mortgage
5 company, sales clerk at a department store and a runner at a law firm, with her last job outside
6 of the home being in 1986;

7
8 THE COURT FURTHER FINDS that Mrs. Nelson's lack of work experience and
9 limited education greatly diminishes her marketability. Additionally, Mrs. Nelson solely relied
10 on Mr. Nelson, as her husband and delegated investment trustee, to acquire and manage
11 properties to support her and the children, and, as such, Mrs. Nelson's ability to support herself
12 is essentially limited to the property award that she receives via these divorce proceedings.

13 THE COURT FURTHER FINDS that while Mrs. Nelson will receive a substantial
14 property award via this Divorce Decree, including some income generating properties, the
15 monthly income generated and the values of the real property may fluctuate significantly
16 depending on market conditions. In addition, it could take considerable time to liquidate the
17 property, as needed, especially considering the current state of the real estate market. As such,
18 Mrs. Nelson may have significant difficulty in accessing any equity held in those properties.

19
20 THE COURT FURTHER FINDS that conversely, Mr. Nelson has become a formidable
21 and accomplished businessman and investor. Mr. Nelson's keen business acumen has allowed
22 him to amass a substantial amount of wealth over the course of the marriage.

23
24 THE COURT FURTHER FINDS that the repurchase of Wyoming Downs by Mr.
25 Nelson via Dynasty Development Group and his ability to immediately obtain a loan against
26 the property to pull out about \$300,000 in equity, clearly evidences Mr. Nelson's formidable
27 and accomplished business acumen and ability to generate substantial funds through his
28

1 investment talents. This type of transaction is not atypical for Mr. Nelson and demonstrates his
2 extraordinary ability, which was developed and honed during the couple's marriage, to evaluate
3 and maximize business opportunities and will ensure that he is always able to support himself,
4 unlike Mrs. Nelson.
5

6 THE COURT FURTHER FINDS that based the upon the findings addressed
7 hereinabove, Mrs. Nelson is entitled to an award of spousal support pursuant to NRS 125.150
8 and the factors enunciated in Sprenger²²
9

10 THE COURT FURTHER FINDS that during the marriage, at the direction of Mr.
11 Nelson, Mrs. Nelson initially received monthly disbursements in the amount of \$5,000, which
12 was increased to \$10,000 per month, and ultimately increased to \$20,000 per month dating
13 back to 2004. The \$20,000 per month disbursements did not include expenses which were paid
14 directly through the Trusts.
15

16 THE COURT FURTHER FINDS that based upon the distributions that Mrs. Nelson
17 was receiving during the marriage, \$20,000 per month is a fair and reasonable amount
18 necessary to maintain the lifestyle that Mrs. Nelson had become accustomed to during the
19 course of the marriage.
20

21 THE COURT FURTHER FINDS that based upon the property distribution that will be
22 addressed hereinafter, Mrs. Nelson will receive some income producing properties (Lindell,
23 Russell Road, some of the Banone, LLC properties).
24

25 THE COURT FURTHER FINDS that while the evidence adduced at trial reflected that
26 the Lindell property should generate a cash flow of approximately \$10,000 a month, the
27 evidence failed to clearly establish the monthly cash flow from the remaining properties.
28 However, in the interest of resolving this issue without the need for additional litigation, this

²² Sprenger v. Sprenger, 110 Nev. 855 (1974).

1
2 Court will assign an additional \$3,000 a month cash flow from the remaining properties
3 resulting in Mrs. Nelson receiving a total monthly income in the amount of \$13,000.

4 THE COURT FURTHER FINDS that based upon a monthly cash flow in the amount of
5 \$13,000 generated by the income producing properties, a monthly spousal support award in the
6 amount of \$7,000 is fair and just and would allow Mrs. Nelson to maintain the lifestyle that she
7 had become accustomed to throughout the course of the marriage.

8
9 THE COURT FURTHER FINDS that Mrs. Nelson is 52 years of age and that spousal
10 support payments in the amount of \$7,000 per month for 15 years, which would effectively
11 assist and support her through her retirement age, appears to be a just and equitable spousal
12 support award.

13 THE COURT FURTHER FINDS that NRS 125.150(a) provides, in pertinent part, that
14 the court may award alimony in a specified *principal sum* or as specified periodic payment
15 (emphasis added).
16

17 THE COURT FURTHER FINDS that the Nevada Supreme Court has indicated that a
18 lump sum award is the setting aside of a spouse's separate property for the support of the other
19 spouse and is appropriate under the statute. *Sargeant v. Sargeant*, 88 Nev. 223, 229 (1972). In
20 *Sargeant*, the Supreme Court affirmed the trial court's decision to award the wife lump sum
21 alimony based on the husband short life expectancy and his litigious nature. The Supreme
22 Court, citing the trial court, highlighted that "the overall attitude of this plaintiff illustrates
23 some possibility that he might attempt to liquidate, interfere, hypothecate or give away his
24 assets to avoid payment of alimony or support obligations to the defendant" *Id.* at 228.
25

26 ...
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28

FRANK R. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

1
2 THE COURT FURTHER FINDS that Mr. Nelson's open and deliberate violation of the
3 Joint Preliminary Injunction evidences his attitude of disregard for court orders. The Court also
4 takes notice of Bankruptcy Judge Olack's finding that Mr. Nelson attempted to deplete the
5 assets of Dynasty Development Group on the eve of the bankruptcy filing, raising the concern
6 that Mr. Nelson may deplete assets of the ELN Trust precluding Mrs. Nelson from receiving a
7 periodic alimony award.
8

9 THE COURT FURTHER FINDS that Mr. Nelson has been less than forthcoming as to
10 the nature and extent of the assets of the ELN Trust which raises another possible deterrent
11 from Mrs. Nelson receiving periodic alimony payments.

12 THE COURT FURTHER FINDS that, as addressed hereinbefore, the ELN Trust moved
13 this Court to dissolve the injunction regarding the \$1,568,000 because it "has an opportunity to
14 purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00; however,
15 the ELN will be unable to do so unless the Injunction is dissolved."
16

17 THE COURT FURTHER FINDS that despite the representation to the Court that the
18 injunction needed to be dissolved so that the ELN Trust would be able to purchase Wyoming
19 Downs, less than a month after the hearing, the ELN Trust, with Mr. Nelson serving as the
20 investment trustee, completed the purchase of Wyoming Downs. This leads this Court to
21 believe that Mr. Nelson was less than truthful about the extent and nature of the funds available
22 in the ELN Trust and such conduct on the part of Mr. Nelson raises serious concerns about the
23 actions that Mr. Nelson will take to preclude Mrs. Nelson from receiving periodic spousal
24 support payments.
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1
2 THE COURT FURTHER FINDS that Mr. Nelson alleged numerous debts and
3 liabilities worth millions of dollars, but forensic accountant, Mr. Bertsch, found that these
4 alleged debts and liabilities were based solely on threats and speculations.

5 THE COURT FURTHER FINDS that Mr. Nelson's practice of regularly transferring
6 property and assets to family members, as highlighted in the transactions involving the High
7 Country Inn and Russell Road properties, contributes to this Court's concern that Mr. Nelson
8 may deplete the assets of the ELN Trust via such family transfers, and, thereby, effectively
9 preclude Mrs. Nelson from receiving a periodic spousal support award.

10 THE COURT FURTHER FINDS that Mr. Nelson's overall attitude throughout the
11 course of these proceedings illustrates the possibility that he might attempt to liquidate,
12 interfere, hypothecate or give away assets out of the ELN Trust to avoid payment of his support
13 obligations to Mrs. Nelson, thereby justifying a lump sum spousal support award to Mrs.
14 Nelson based on the factors addressed hereinabove and the rationale enunciated in *Sargeant*.

15 THE COURT FURTHER FINDS that calculation of a monthly spousal support
16 obligation of \$7,000 for 15 years results in a total spousal support amount of \$1,260,000 which
17 needs to be discounted based upon being paid in a lump sum. Accordingly, Mrs. Nelson is
18 entitled to a lump sum spousal support award in the amount of \$800,000.

19 THE COURT FURTHER FINDS that the ELN Trust should be required to issue a
20 distribution from the \$1,568,000 reflected in the account of Dynasty Development Group, LLC,
21 and currently held in a blocked trust account pursuant to this Court's injunction, to satisfy Mr.
22 Nelson's lump sum spousal support obligation and to satisfy his child support arrearages
23 obligation.

1
2 THE COURT FURTHER FINDS that Mr. Nelson argues that Dynasty Development
3 Group, LLC, is 100% held by the ELN Trust, and, therefore, he has no interest in Dynasty nor
4 the funds reflected in the Dynasty account as all legal interest rests with the ELN Trust.²³

5 THE COURT FURTHER FINDS that various statutes and other sources suggest that
6 the interest of a spendthrift trust beneficiary can be reached to satisfy support of a child or a
7 former spouse.²⁴ Specifically, South Dakota, which also recognizes self-settled spendthrift
8 trust, has addressed the issue in South Dakota Codified Law § 55-16-15 which states:

9
10 Notwithstanding the provisions of §§ 55-16-9 to 55-16-14, inclusive, this chapter does
11 not apply in any respect to any person to whom the transferor is indebted on account of
12 an agreement or *order of court* for the payment of *support* or *alimony* in favor of such
13 transferor's spouse, *former spouse*, or children, or for a *division or distribution of*
14 *property* in favor of such transferor's spouse or former spouse, to the extent of such debt
(emphasis added).

15 Wyoming, which also allows self-settled spendthrift trust, has also addressed the matter
16 through Wyoming Statutes Annotated § 4-10-503(b):

17 (b) Even if a trust contains a spendthrift provision, a person who has a judgment or
18 court order against the beneficiary for child support or maintenance may obtain from a
19 court an order attaching present or future distributions to, or for the benefit of, the
20 beneficiary.

21 THE COURT FURTHER FINDS that, while not binding on this Court, these statutes
22 clearly demonstrate that spouses entitled to alimony or maintenance are to be treated differently
23 than a creditor by providing that the interest of a spendthrift trust beneficiary can be reached to
24 satisfy support of a child or a former spouse.

25 ...

26 ...

27

28

²³ NRS 166.130

²⁴ Restatement (Third) of Trust § 59 (2003).

1
2 THE COURT FURTHER FINDS that in *Gilbert v. Gilbert*, 447 So.2d 299, the Florida
3 Court of Appeals affirmed the district court's order that allowed the wife to garnish the
4 husband's beneficiary interest in a spendthrift trust to satisfy the divorce judgment regarding
5 alimony payments.

6 THE COURT FURTHER FINDS that the *Gilbert* court found that while "the cardinal
7 rule of construction in trusts is to determine the intention of the settler and give effect to his
8 wishes . . . there is a strong public policy argument which favors subjecting the interest of the
9 beneficiary of a trust to a claim for alimony."²⁵ The Court went on to state that the dependents
10 of the beneficiary should not be deemed to be creditors as such a view would "permit the
11 beneficiary to have the enjoyment of the income from the trust while he refuses to support his
12 dependents whom it is his duty to support."²⁶ The *Gilbert* court went on to state that a party's
13 responsibility to pay alimony "is a duty, not a debt."²⁷
14

15 THE COURT FURTHER FINDS that there is a strong public policy argument in favor
16 of subjecting the interest of the beneficiary of a trust to a claim for spousal support and child
17 support, and, as such, Mr. Nelson's beneficiary interest in the ELN Trust should be subjected to
18 Mrs. Nelson award of spousal support and child support.
19

20 *Attorney's Fees*

21 THE COURT FURTHER FINDS that NRS 18.010(2)(b) provides, in pertinent part, for
22 the award of attorney's fees to the prevailing party: "when the court finds that the claim,
23 counterclaim, cross-claim or third-party complaint or defense of the opposing party was
24 brought or maintained without reasonable ground or to harass the prevailing party."
25
26

27 ²⁵ Id at 301.

²⁶ *Gilbert v. Gilbert*, 447 So.2d 299, 301

²⁷ Id at 301.

1
2 THE COURT FURTHER FINDS that Mr. Nelson, as the Investment Trustee for the
3 ELN Trust, was the person authorized to institute legal action on behalf of the Trust.

4 THE COURT FURTHER FINDS that Mr. Nelson did not request that the ELN Trust
5 move to be added as a necessary party to these proceedings until almost two years after
6 initiating this action and following the initial six days of trial. It is apparent to this Court that
7 Mr. Nelson was not satisfied with the tenor of the courts preliminary "findings" in that it was
8 not inclined to grant his requested relief, and, consequently, decided to pursue a "second bite at
9 the apple" by requesting that the ELN Trust pursue being added as a necessary party.
10

11 THE COURT FURTHER FINDS that adding the ELN Trust as a necessary party at this
12 rather late stage of the proceedings, resulted in extended and protracted litigation including the
13 re-opening of Discovery, the recalling of witnesses who had testified at the initial six days of
14 trial, and several additional days of trial.

15 THE COURT FURTHER FINDS that Mr. Nelson's position that he had a conflict of
16 interest which prevented him from exercising his authority to institute legal action on behalf of
17 the ELN Trust was not credible as he had appeared before this Court on numerous occasions
18 regarding community waste issues and the transfer of assets from the ELN Trust and the LSN
19 Trust and had never raised an issue as to a conflict of interest.
20

21 THE COURT FURTHER FINDS that while both parties were aware of the existence of
22 the ELN and LSN Trusts from the onset of this litigation, and, as such, Mrs. Nelson could have
23 moved to add the ELN Trust as a necessary party, Mr. Nelson had consistently maintained
24 throughout his initial testimony that the assets held in the ELN Trust and the LSN Trusts were
25 property of the community.
26
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1
2 THE COURT FURTHER FINDS that, while this Court fully respects and supports a
3 party's right to fully and thoroughly litigate its position, Mr. Nelson's change in position as to
4 the character of the property of the ELN Trust and LSN Trust in an attempt to get a "second
5 bite of the apple", resulted in unreasonably and unnecessarily extending and protracting this
6 litigation and additionally burdening this Court's limited judicial resources, thereby justifying
7 an award of reasonable attorney fees and costs in this matter.

8 THE COURT FURTHER FINDS that in considering whether or not to award
9 reasonable fees and cost this Court must consider "(1) the qualities of the advocate: his ability,
10 his training, education, experience, professional standing and skill; (2) the character of the work
11 to be done: its difficulty, its intricacy, its importance, time and skill required, the responsibility
12 imposed and the prominence and character of the parties where they affect the importance of
13 the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given
14 to the work; (4) the result: whether the attorney was successful and what benefits were
15 derived." *Brunzell v. Golden Gate Nat'l Bank*, 85 Nev. 345, 349 (1969).

16 THE COURT FURTHER FINDS Attorney Dickerson has been Mrs. Nelson's legal
17 counsel continuously since September 2009 and is a very experienced, extremely skillful and
18 well-respected lawyer in the area of Family Law. In addition, this case involved some difficult
19 and complicated legal issues concerning Spendthrift Trusts and required an exorbitant
20 commitment of time and effort, including the very detailed and painstaking review of
21 voluminous real estate and financial records. Furthermore, Attorney Dickerson's skill, expertise
22 and efforts resulted in Mrs. Nelson's receiving a very sizeable and equitable property
23 settlement.
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THE COURT FURTHER FINDS that upon review of attorney Dickerson's Memorandum of Fees and Costs, this Court feels that an award of attorney fees in the amount of \$144,967 is fair and reasonable and warranted in order to reimburse Mrs. Nelson for the unreasonable and unnecessary extension and protraction of this litigation by Mr. Nelson's change of position in regards to the community nature of the property and his delay in having the ELN Trust added as a necessary party which added significant costs to this litigation.

THE COURT FURTHER FINDS that while the Court could invalidate the Trusts based upon Mr. Nelson's testimony as to community nature of the assets held by each Trust, the breach of his fiduciary duty as a spouse, the breach of his fiduciary duty as an investment trustee, the lack of Trust formalities, under the principles of a constructive trust, and under the doctrine of unjust enrichment, the Court feels that keeping the Trusts intact, while transferring assets between the Trusts to "level off the Trusts", would effectuate the parties clear intentions of "supercharging" the protection of the assets from creditors while ensuring that the respective values of the Trusts remained equal.

THE COURT FURTHER FINDS that in lieu of transferring assets between the Trusts to level off the Trust and to achieve an equitable allocation of the assets between the Trusts as envisioned by the parties, the Court could award a sizable monetary judgment against Mr. Nelson for the extensive property and monies that were transferred from the LSN Trust to the ELN Trust, at his direction, and issue a corresponding charging order against any distributions to Mr. Nelson until such judgment was fully satisfied.

...
...

1
2 THE COURT FURTHER FINDS that the Court has serious concerns that Mrs. Nelson
3 would have a very difficult time collecting on the judgment without the need to pursue endless
4 and costly litigation, especially considering the extensive and litigious nature of these
5 proceedings.

6
7 THE COURT FURTHER FINDS that due to Mr. Nelson's business savvy and the
8 complexity of his business transactions, the Court is concerned that he could effectively deplete
9 the assets of the ELN Trust without the need to go through distributions, thereby circumventing
10 the satisfaction of the judgment via a charging order against his future distributions.

11 THE COURT FURTHER FINDS that its concern about Mr. Nelson depleting the assets
12 of the ELN Trust seems to be well founded when considering the fact that Bankruptcy Judge
13 Olack found that Mr. Nelson depleted the assets of Dynasty on the eve of its bankruptcy filing.

14 THE COURT FURTHER FINDS that upon review of Mr. Bertsch's Second
15 Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses
16 for the Period from April 1, 2012 through July 25, 2012, Mr. Bertsch is entitled to payment of
17 his outstanding fees in the amount of \$35,258.

18
19 THE COURT FURTHER FINDS that in preparing this Decree of Divorce, the
20 monetary values and figures reflected herein were based on values listed in Mr. Bertsch's
21 report and the testimony elicited from the July and August 2012 hearings.²⁸

22
23 THE COURT FURTHER FINDS that as to the repurchase of Wyoming Downs by the
24 ELN Trust via the Dynasty Development Group, this Court is without sufficient information
25 regarding the details of the repurchase of the property, the value of the property and the
26 encumbrances on the property to make a determination as to the disposition of the property,
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²⁸ *Supra*, note 6.

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and, accordingly, is not making any findings or decisions as to the disposition of the Wyoming Downs property at this time.

Conclusion

THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the bonds of matrimony now existing between Eric and Lynita Nelson are dissolved and an absolute Decree of a Divorce is granted to the parties with each party being restored to the status of a single, unmarried person.

IT IS FURTHER ORDERED that the Brianhead cabin, appraised at a value of \$985,000 and currently held jointly by the ELN Trust and the LSN Trust, is to be divided equally between the Trusts.

IT IS FURTHER ORDERED that both parties shall have the right of first refusal should either Trust decide to sell its interest in the Brianhead cabin.

IT IS FURTHER ORDERED that the 66.67% interest in the Russell Road property (\$4,333,550) and the 66.67% interest in the \$295,000 note/deed for rents and taxes (\$196,677) currently held by the ELN Trust, shall be equally divided between the ELN Trust and the LSN Trust.

IT IS FURTHER ORDERED that both parties shall have the right of first refusal should either Trust decide to sell its interest in the Russell Road property.

...
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...

1
2 IT IS FURTHER ORDERED that the following properties shall remain in or be
3 transferred into the ELN Trust:

<u>Property Awarded</u>	<u>Value</u>
Cash	\$ 80,000
Arizona Gateway Lots	\$ 139,500
Family Gifts	\$ 35,000
Gift from Nikki C.	\$ 200,000
Bella Kathryn Property	\$1,839,495
Mississippi Property (121.23 acres)	\$ 607,775
Notes Receivable	\$ 642,761
Banone AZ Properties	\$ 913,343
Dynasty Buyout	\$1,568,000
½ of Brianhead Cabin	\$ 492,500
<u>1/3 of Russell Road (+ note for rents)</u>	<u>\$2,265,113.50 (\$2,166,775 + \$98,338.50)</u>
Total	\$8,783,487.50

13
14 IT IS FURTHER ORDERED that the following properties shall remain in or be
15 transferred into the LSN Trust:

<u>Property Awarded</u>	<u>Value</u>
Cash	\$ 200,000
Palmyra Property	\$ 750,000
Pebble Beach Property	\$ 75,000
Arizona Gateway Lots	\$ 139,500
Wyoming Property (200 acres)	\$ 405,000
Arnold Property in Miss.	\$ 40,000
Mississippi RV Park	\$ 559,042
Mississippi Property	\$ 870,193
Grotta 16.67% Interest	\$ 21,204
Emerald Bay Miss. Prop.	\$ 560,900
Lindell Property	\$1,145,000
Banone, LLC	\$1,184,236
JB Ramos Trust Note Receivable	\$ 78,000
½ of Brianhead Cabin	\$ 492,500
<u>1/3 of Russell Road (+ note for rents)</u>	<u>\$2,265,113.50 (\$2,166,775 + \$98,338.50)</u>
Total	\$8,785,988.50

1
2 IT IS FURTHER ORDERED that due to the difference in the value between the ELN
3 Trust and the LSN Trust in the amount of \$153,499, the Trusts shall be equalized by
4 transferring the JB Ramos Trust Note from the Notes Receivable of the ELN Trust, valued at
5 \$78,000, to the LSN Trust as already reflected on the preceding page.²⁹

6 IT IS FURTHER ORDERED that the injunction regarding the \$1,568,000 reflected in
7 the account of Dynasty Development Group, LLC, ("Dynasty Buyout") and currently held in a
8 blocked trust account, is hereby dissolved.

9
10 IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the
11 \$1,568,000, herein awarded to the ELN Trust, to pay off the lump sum spousal support
12 awarded to Mrs. Nelson in the amount of \$800,000. Said payment shall be remitted within 30
13 days of the date of this Decree.

14 IT IS FURTHER ORDERED that Mrs. Nelson is awarded child support arrears in the
15 amount of \$87,775 and that the ELN Trust shall use the distribution of the \$1,568,000, herein
16 awarded to the ELN Trust, to pay off the child support arrears awarded to Mrs. Nelson via a
17 lump sum payment within 30 days of issuance of this Decree.

18 IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the
19 \$1,568,000, herein awarded to the ELN Trust, to pay Mr. Bertsch's outstanding fees in the
20 amount of \$35,258 within 30 days of issuance of this Decree.³⁰

21 IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the
22 \$1,568,000, herein awarded to the ELN Trust, to reimburse Mrs. Nelson for attorney's fees
23 paid to Attorney Dickerson in the amount of \$144,967 in payment of fees resulting from Mr.
24

25
26
27 ²⁹ Defendant's Exhibit GGGGG.

28 ³⁰ Second Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the
Period from April 1, 2012 through July 25, 2012.

1
2 Nelson's unreasonable and unnecessary extension and protraction of this litigation. Said
3 payment shall be remitted to Mrs. Nelson within 30 days of the date of this Decree.

4 IT IS FURTHER ORDERED that the funds remaining, in the amount of approximately
5 \$500,000, from the distribution of the \$1,568,000, herein awarded to the ELN Trust, after the
6 payment of the spousal support, child support arrears, Mr. Bertsch's fees and reimbursement of
7 the attorney fees to Mrs. Nelson, shall be distributed to Mr. Nelson within 30 days of issuance
8 of this Decree
9

10 IT IS FURTHER ORDERED that Mr. Nelson shall pay Mrs. Nelson \$2080 in child
11 support for the month of June 2013 for their children Garrett and Carli.

12 IT IS FURTHER ORDERED that Mr. Nelson shall pay Mrs. Nelson \$1,058 a month in
13 support of their child Carli, commencing on July 1, 2013 and continuing until Carli attains the
14 age of majority or completes high school, which ever occurs last.

15 IT IS FURTHER ORDERED that Mr. Nelson shall maintain medical insurance
16 coverage for Carli.
17

18 IT IS FURTHER ORDERED that any medical expenses not paid by any medical
19 insurance covering Carli shall be shared equally by the parties, with such payments being made
20 pursuant to the Court's standard "30/30" Rule.

21 IT IS FURTHER ORDERED that the parties shall equally bear the private education
22 costs, including tuition, of Carli's private school education at Faith Lutheran.
23

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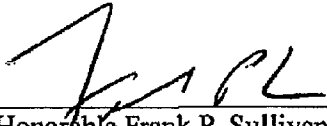
FRANK R. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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IT IS FURTHER ORDERED that the parties shall keep any personal property now in their possession and shall be individually responsible for any personal property, including vehicles, currently in their possession.

Dated this 3rd day of June, 2013.


Honorable Frank P. Sullivan
District Court Judge – Dept. O

1 **IN THE SUPREME COURT OF THE STATE OF NEVADA**

2
3 NOLA HARBER, as Distribution Trustee
4 of the ERIC L. NELSON NEVADA
TRUST dated May 30, 2001,

5 Petitioners,

6 vs.

7 EIGHTH JUDICIAL DISTRICT COURT
8 OF THE STATE OF NEVADA, CLARK
9 COUNTY, and THE HONORABLE
JUDGE,
FRANK P. SULLIVAN, DISTRICT

10 Respondents,

11 and

12 ERIC L. NELSON and LYNITA S.
13 NELSON, individually, and LSN
NEVADA TRUST dated May 30, 2001,
14 LARRY BERTSCH,

15 Real Parties in Interest.

Electronically Filed
Apr 18 2014 04:36 p.m.
Tracie K. Lindeman
Clerk of Supreme Court

Case No. 63432

16 **MOTION FOR RULING ON REQUESTS FOR STAYS AND/OR TO**
17 **DISSOLVE TEMPORARY STAYS**

18
19 **THE DICKERSON LAW GROUP**

20 ROBERT P. DICKERSON, ESQ.
21 Nevada Bar No. 000945
22 JOSEF M. KARACSONYI, ESQ.
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Attorneys for Real Parties in Interest
LYNITA NELSON and the LSN NEVADA
TRUST dated May 30, 2001

1 **I. INTRODUCTION**

2 On June 3, 2013, the Honorable Frank P. Sullivan, Eighth Judicial District
3 Court, entered a fifty (50) page Decree of Divorce ("Decree"), dissolving the
4 marriage of ERIC L. NELSON ("Eric"), and LYNITA S. NELSON ("Lynita") (Eric
5 and Lynita are collectively referred to as the "parties"). Almost immediately
6 thereafter, Petitioner, NOLA HARBER, as purported DISTRIBUTION TRUSTEE
7 of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001 ("ELN Trust"),
8 filed two (2) Petitions for Writ of Prohibition with this Court (the instant case, and
9 Case No. 63545), challenging the Decree and attempting to deprive Lynita of all of
10 the property awarded to her in such Decree. The ELN Trust also requested
11 emergency, temporary stays in both cases, which stays were granted temporarily by
12 this Court.

13 The ELN Trust's Petitions for Writ of Prohibition have been pending for over
14 nine (9) months. During that time period, Lynita has continued to suffer substantial
15 and irreparable financial harm as a result of her inability to receive, or derive income
16 from, almost all of the property awarded to her in the Decree. There has also been
17 continued litigation in the underlying divorce action, and Eric and the ELN Trust
18 continue to take any course of action possible to delay the final disposition of the
19 parties' divorce. Eric and the ELN Trust continue to receive the benefit of, and
20 expend the income derived from, the property awarded to Lynita, abusing the stay
21 issued by the Court. To continue the temporary stays issued by the Court would be
22 grossly inequitable, and will only cause further harm to Lynita.

23 **II. PROCEDURAL HISTORY AND STATEMENT OF FACTS**

24 On June 3, 2013, the District Court entered its Decree. Exhibit A. In the
25 Decree, the District Court, in part, made the following relevant findings:

26 (1) During the first phase of trial, Eric, individually, and as Trustor and
27 Investment Trustee of the ELN Trust, testified repeatedly that the assets held by the
28 ELN and LST Trusts were community property and should be divided by the Court.

1 Exhibit A, pg. 6, line 7, to pg. 7, line 24.

2 (2) After six (6) days of trial, Eric sought to have the ELN and LSN Trusts
3 joined to the divorce action, not satisfied with the way the proceedings were heading,
4 and in a legal tactic intended to give him a second chance of denying Lynita a large
5 share of the parties' community assets. Exhibit A, pg. 42, lines 2-26.

6 (3) In 2001, Eric and Lynita, upon the advice and counsel of Jeffrey Burr,
7 Esq., created the ELN Trust and LSN Trust. Exhibit A, pg. 4, lines 12-15, 20-23.
8 The parties' testimony "clearly established that the intent of creating the spendthrift
9 trusts was to provide maximum protection from creditors and was not intended to be
10 a property settlement in the event that the parties divorced." Exhibit A, pg. 5, lines
11 16-18. Attorney Burr suggested that the parties periodically level off or equalize the
12 property in the ELN and LSN Trusts. Exhibit A, pg. 8, lines 2-4. The Parties
13 intended to maintain an equal allocation of assets between the trusts as reflected in
14 Minutes from a Trust Meeting, dated November 20, 2004, wherein it was stated that
15 property was transferred from the ELN Trust to the LSN Trust, in part, to "level off
16 the trusts." Exhibit A, pg. 8, lines 9-16.

17 (4) That on "numerous occasions, [Eric] requested that [Lynita] sign
18 documentation relating to the transfer of LSN Trust assets to the ELN Trust."
19 Exhibit A, pg. 9, lines 2-4. That Eric violated his fiduciary duties to Lynita as both
20 Investment Trustee and Trust Adviser to the LSN Trust, and as Lynita's husband, by
21 failing to discuss the factors relating to the numerous transfers from the LSN Trust
22 to the ELN Trust. Exhibit A, pg. 9, lines 14-17; pg. 11, lines 22-27; pg. 12, lines 2-4.
23 That Eric was able to exercise control over properties in the LSN Trust and ELN
24 Trust, and freely transfer same, under the "guise that [such] property transfers
25 benefitted the community," and because he "assured [Lynita] that he managed the
26 assets in the trusts for the benefit of the community." Exhibit A, pg. 15, lines 4-9;
27 pg. 14, lines 19-21.

28 . . .

1 (5) That prior to the parties' divorce action, millions of dollars worth of
2 properties were taken by Eric from the LSN Trust and transferred to the ELN Trust
3 without compensation, and the retention of same by Eric and the ELN Trust would
4 result in unjust enrichment and injustice. **Exhibit A**, pgs. 12-20.

5 (6) That Eric failed to follow the formalities of the ELN and LSN Trusts,
6 and had complete and unfettered access to the properties contained within such trusts.
7 **Exhibit A**, pg. 27, line 15, to pg. 29, line 12.

8 (7) That Eric lacked credibility, and during the divorce proceedings: (a)
9 "failed to answer questions in a direct and forthright manner," (b) violated the District
10 Court's injunction; and (c) "misstated the ELN Trust's financial position, or at the
11 very least was less than truthful with [the District Court]." In fact, the District Court
12 referenced Eric's lack of credibility, violation of Orders, and deplorable behavior
13 throughout its Decree, and even included a whole subsection concerning his lack
14 of credibility. **Exhibit A**, pg. 23, line 9, to pg. 25, line 16.

15 Based upon the findings set forth in the Decree, the District Court ordered an
16 approximately equal division of the properties held in the ELN and LSN Trusts. The
17 District Court's division of property was accomplished by ordering properties
18 transferred between the two (2) trusts, and imposing constructive trusts over those
19 properties wrongfully taken by Eric from the LSN Trust, without specifically
20 invalidating the trusts. See generally, **Exhibit A**. The District Court also found that
21 the ELN and LSN Trusts were sham trusts and essentially Eric's alter egos (based on
22 the findings cited above), and that it would have been wholly justified in invalidating
23 such trusts. **Exhibit A**, pg. 29, lines 13-18; pg. 44, lines 9-17.

24 In addition to dividing the parties' property, the District Court also awarded
25 Lynita \$800,000 for lump sum alimony, \$87,775 in child support arrears, and
26 \$144,967 for attorneys' fees and costs (for a total of \$1,032,742). **Exhibit A**, pgs. 48-
27 49. The District Court also ordered the ELN Trust to pay the remaining balance owed
28 to the District Court appointed expert, Larry Bertsch, in the amount of \$35,258.

1 **Exhibit A**, pg. 48, lines 19-21. To ensure that Lynita received her alimony, child
2 support arrears and attorneys' fees, and that Mr. Bertsch received his remaining fees,
3 the District Court ordered that such payments be made by the ELN Trust within thirty
4 (30) days from the date of Decree from monies previously enjoined in David
5 Stephens, Esq.'s trust account. **Exhibit A**, pg. 48, line 10, to page 49, line 3. Said
6 monies were first enjoined by the District Court at a hearing held April 4, 2011, and
7 remained in said account until sometime shortly after the District Court issued its
8 Decree on June 3, 2013. To allow the ELN Trust and Eric to access the \$1,568,000
9 and make the aforementioned payments, the District Court also dissolved the prior
10 injunction freezing the \$1,568,000 in Mr. Stephens' trust account. **Exhibit A**, pg. 48,
11 lines 6-9.

12 On June 19, 2013, the District Court entered its Order for Payment of Funds
13 Pursuant to June 3, 2013 Decree of Divorce ("Order for Payment of Funds"),
14 requiring the \$1,032,742 awarded to Lynita, and Mr. Bertsch's fees, to be paid
15 immediately, either from Mr. Stephens' trust account, or from Eric and the ELN Trust
16 if they had already received the previously enjoined funds from Mr. Stephens.
17 **Exhibit B**, pgs. 3-4. Two (2) days later, on June 21, 2013, the ELN Trust filed its
18 first Petition for Writ of Prohibition (the instant case), challenging the Court's awards
19 of support and fees to Lynita, and the order to pay Mr. Bertsch's outstanding fees.
20 That same day, the ELN Trust also filed its Emergency Motion Under NRAP 27(e)
21 for Stay to Issue by 2:00 p.m. on June 21, 2013, Pending Resolution of Writ
22 Proceedings; NRAP 27(e) Certificate, seeking a temporary stay of the District Court's
23 Order for Payment of Funds.

24 On June 21, 2013, the Court entered its Order Directing Answer and Granting
25 Temporary Stay, requiring Lynita to file an answer within 15 days, and granting a
26 temporary stay of the Order for Payment of Funds "to allow for receipt and
27 consideration of any opposition to the stay motion and the answer to the writ
28 petition." On June 26, 2013, the ELN Trust filed its second Emergency Motion

1 Under NRAP 27(e) for Stay To Issue by 5:00 p.m. on June 27, 2013, Pending
2 Resolution of Writ Proceedings; NRAP 27(e) Certificate, requesting that the Court
3 extend its temporary stay to the Decree, which required payment to be made to Lynita
4 and Mr. Bertsch within 30 days. That same day, the Court entered its Order
5 Extending Temporary Stay, extending the temporary stay to the Decree.

6 On July 9, 2013, Lynita filed her Answer to Petition for Writ of Prohibition,
7 and Oppositions to both of the ELN Trust's motions for temporary stays. On July 23,
8 2013, the ELN Trust filed its Reply to Answer to Petition for Writ of Prohibition, and
9 Reply to Lynita's Oppositions to the motions for temporary stays. The Court has not
10 yet issued a ruling on the Petition for Writ of Prohibition, or a further ruling on the
11 temporary stays following Lynita's Oppositions. The District Court, however, has
12 since enjoined the funds awarded to Lynita and Mr. Bertsch.

13 On July 9, 2013, the ELN Trust filed its second Petition for Writ of Prohibition,
14 Case Number 63545. The ELN Trust's second petition challenged the award of a
15 50% interest in the Russell Road Property, and 100% interest in the JB Ramos
16 Promissory Note, Lindell Property and rental properties held in Banone, LLC, to
17 Lynita. The total value of these properties was valued at \$4,672,349.50 in the Decree.
18 **Exhibit A**, pg. 47. These properties also comprised almost the entirety of the income
19 producing properties awarded to Lynita. Also on July 9, 2013, the ELN Trust filed
20 its Emergency Motion Under NRAP 27(e) for Stay to Issue by 5:00 p.m. on July 9,
21 2013, Pending Resolution of Writ Proceedings; NRAP 27(e) Certificate in Case
22 63545, requesting that the Court temporarily stay the transfer of the aforementioned
23 properties to Lynita in accordance with the Decree.

24 On July 10, 2013, the Court issued its Order Directing Supplement to Petition
25 and Directing Answer in Case 63545, requiring the ELN Trust to file a supplement
26 to its Petition "demonstrating why extraordinary relief is warranted at this time, given
27 that the issues can ultimately be raised on appeal from a final judgment," and Lynita
28 to answer within 11 days of the supplement. **Exhibit C**. On July 15, 2013, the ELN

1 Trust filed its Supplement to Petition for Writ of Prohibition. On July 19, 2013,
2 Lynita filed her Opposition to the ELN Trust's request for a temporary stay. On July
3 26, 2013, Lynita filed her Answer to Petition for Writ of Prohibition.

4 On July 29, 2013, the ELN Trust filed a request for ruling on its motion for
5 temporary stay in Case 63545. On July 30, 2013, the Court, "having considered
6 petitioner's renewed motion for a stay," issued its Order Granting Temporary Stay,
7 temporarily staying the transfer of "the Lindell Property; the rental properties owned
8 by Banone, LLC; the JB Ramos Trust Note Receivable; and a percentage interest in
9 the Russell Road Property . . . pending further order of this court."¹ **Exhibit D**. The
10 Order Granting Temporary Stay also directed the ELN Trust to file a reply to the
11 answer to the petition, and on August 12, 2013, the ELN Trust filed its Reply. To
12 date, the Court has not yet ruled upon the Petition in Case 63545, or made further
13 orders with regards to the temporary stay.

14 For the duration of the District Court proceedings, Eric had the benefit and use
15 of nearly all of the assets and income which were at issue in the parties' divorce
16 action, and which Eric maintained were the parties' community property through the
17 first six (6) days of trial. Lynita first requested that the District Court order Eric to
18 provide her with financial support by the filing of her Motion for Temporary Support
19 on January 21, 2011. **Exhibit E**. In such motion, Lynita informed the District Court
20 that the sole asset which she had control over and could draw upon for support and
21 litigation was her Charles Schwab/Capstone Capital investment account. **Exhibit E**,
22 pg. 4, lines 16-18. While Lynita was supporting herself from her investment account,
23 Eric continued to access and utilize all of the income received from the parties' assets,
24 many of which were wrongfully taken from Lynita by Eric by misrepresentation
25 during the parties' marriage, as specifically found by the District Court. **Exhibit E**,
26 pg. 4, line 15; **Exhibit A**, pgs. 9-20. In response to Lynita's request to share in the

27 ¹ The Order Granting Temporary Stay did not indicate whether the Court had considered
28 Lynita's Opposition yet, which had been filed only 4 days prior.

1 income produced by the parties' assets, the District Court appointed a forensic
2 accountant, Larry Bertsch, CPA ("Mr. Bertsch"), to trace and document the parties'
3 assets, and deferred ruling on Lynita's request for financial relief. **Exhibit F**, Order
4 entered May 25, 2011.

5 As confirmed by Mr. Bertsch during the divorce trial, in 2009 Eric provided
6 Lynita with \$65,505.94 (\$47,922.00 in direct payments, and \$17,583.94 in expenses
7 paid on Lynita's behalf) in income. In 2010, Eric provided Lynita with a mere
8 \$13,003.58 (which consisted of only \$2,300.00 in direct payments, and \$10,703.58
9 in expenses), and in 2011, with a mere \$10,763.60 (\$5,750.00 in direct payments
10 which were court ordered attorneys' fees and mediation fees, and \$5,013.60 in
11 expenses). Shockingly, during the first three (3) months of 2012, Eric gave Lynita
12 the nominal sum of \$244.00 (which was simply a reimbursement for unreimbursed
13 medical expenses). **Exhibit G**, Mr. Bertsch's Notice of Filing Source and Application
14 of Funds Pursuant to April 10, 2012 Hearing, Exhibit B-1. Meanwhile, during the
15 same period of time, Eric received personal draws and paid personal expenses totaling
16 \$697,476.29, gave his family members (other than the parties' children)
17 \$3,900,115.29, gave \$407,392.13 to the parties' children (of which \$333,501.46 was
18 given to the adult children), and spent \$1,839,494.79 on his personal residence.
19 **Exhibit G**, Exhibit B-1.

20 At the start of the divorce litigation, Lynita had access to approximately \$2
21 million, but by August 2012 she had less than \$200,000 remaining at her disposal;
22 she was forced to deplete every dollar she had on professional fees (which were
23 exponentially increased by Eric's vexatious litigation tactics) and living expenses,
24 without ever being able to replenish same with the large amount of income that was
25 received by Eric during the same period of time, much of which belonged to Lynita
26 and the LSN Trust as found by the District Court. **Exhibit H**, Defendant's Post-Trial
27 Memorandum, pg. 3, lines 9-13; and generally **Exhibit A**. Specifically, from January
28 1, 2009 through March 31, 2013, Lynita incurred \$1,984,289.55 in expenses for her

1 support, for the support of the parties' minor children, and for the defense of the
2 divorce litigation through the liquidation of the only cash available to her. **Exhibit**
3 **I**, Mr. Bertsch's May 1, 2012 Notice of Filing of Income and Expense Reports for
4 Lynita Nelson, Exhibit A attached thereto. By June 5, 2013, Lynita's available cash
5 had dwindled to \$19,000, with household bills of \$3,130.00, and an outstanding
6 balance for attorneys' fees and costs of over \$140,000 caused by Eric's unreasonable
7 change of positions during the parties' divorce litigation. **Exhibit J**, Defendant's
8 Motion for Payment of Funds, pg. 6, lines 10-12. Unlike the assets titled in the name
9 of the ELN Trust, the assets held in the LSN Trust currently are not producing any
10 income for Lynita. **Exhibit K**, Mr. Bertsch's July 5, 2011 Asset Schedule.

11 As a result of the temporary stays issued in the instant case, and the temporary
12 stay issued in Case No. 63545, Lynita continues to be deprived of the great majority
13 of property and cash awarded to her in the Court's Decree. Meanwhile, Eric and his
14 sham trust continue to have complete and unfettered access to the income producing
15 properties, collecting monthly rental payments that would belong to Lynita but for the
16 stay. In fact, Eric has even made numerous child support payments from Banone,
17 LLC, which holds the properties awarded to Lynita in the Decree, essentially paying
18 Lynita child support with her own money. See **Exhibit L**.

19 Unfortunately, Lynita's continued deprivation of the property awarded to her
20 has caused her to have to further liquidate the limited property available to her in
21 order to sustain herself and to continue to meet Eric and his trust on equal footing in
22 this litigation. On October 30, 2013, Lynita sold her residence of 26 years to continue
23 meeting obligations during the pendency of the underlying divorce action and the
24 actions pending in this Court. **Exhibit M**.

25 The underlying divorce litigation still has not been concluded. The parties
26 were scheduled to go to trial on the last remaining issue on December 11, 2013 (the
27 Wyoming Downs property not disposed of in the Decree). Unfortunately, however,
28 on December 3, 2013, the ELN Trust filed a Motion to Disqualify Judge Sullivan

1 (“Motion to Disqualify”). The District Court cancelled all previously scheduling
2 hearings while the Motion to Disqualify was pending. On January 10, 2014, the
3 Honorable Jennifer Togliatti entered an Order Denying Motion to Disqualify Judge
4 Frank P. Sullivan, ruling that the ELN Trust’s Motion to Disqualify was both
5 procedurally and substantively deficient. **Exhibit N**. The previously scheduled trial
6 concerning Wyoming Downs has since been rescheduled for May 30, 2014.

7 Finally, it must be pointed out that the District Court has, at numerous hearings
8 since entry of the Decree, confirmed that it could have set aside the ELN and LSN
9 Trusts in its Decree based on the evidence presented at trial, but did not do so because
10 it believed it could accomplish the justice afforded in the Decree without specifically
11 invalidating the trusts. See, e.g., **Exhibit O**, Transcript from October 21, 2013
12 Hearing, pg. 12, lines 19-24, and pg. 17, lines 4-14. The findings in the Decree were
13 intended to make clear that the trusts could have been invalidated based on the
14 evidence presented at trial.

15 **III. LEGAL ANALYSIS**

16 The Court should enter a decision regarding the requests for temporary stays
17 filed on June 21 and 26, 2013, granted temporarily on June 21 and 26, 2013 to allow
18 for oppositions thereto, and dissolve the Orders granting temporary stays which were
19 issued. The legal analysis regarding the requests for temporary stays was previously
20 set forth in Lynita’s Opposition to such requests filed on July 9, 2013, and is not
21 restated herein. Instead, such Legal Analysis is incorporated herein by reference.

22 As set forth in the Factual Statement, above, Lynita continues to suffer
23 irreparable financial harm as a result of the temporary stays entered by this Court.
24 She has had to sell her home of 26 years in order to maintain her pursuit of justice,
25 and continue meeting her living expenses.

26 In addition, and as was set forth throughout Lynita’s Answer to Petition to Writ
27 of Prohibition filed in this matter, Petitioner does not have a likelihood of success on
28 the merits of the multiple petitions filed with the Court. This fact has been confirmed

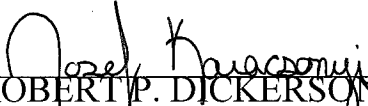
1 by the District Court's numerous indications that the evidence at trial would have
2 justified setting aside the ELN and LSN Trusts, and that the only reason the District
3 Court did not set aside such trusts was because it believed it could accomplish the
4 justice afforded in the Decree without specifically invalidating the trusts.

5 **IV. CONCLUSION**

6 For the reasons set forth above, and in Lynita's Opposition filed July 9, 2013,
7 the Court should enter a ruling on the June 21 and 26, 2013 requests for temporary
8 stays, granted temporarily to allow for an opposition thereto, and dissolve the
9 temporary stays previously issued.

10 DATED this 18th day of April, 2014.

11 **THE DICKERSON LAW GROUP**

12
13 
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23 Attorneys for Real Parties in Interest
24 LYNITA NELSON and the LSN NEVADA
25 TRUST dated May 30, 2001
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