

# **EXHIBIT 6**

# **EXHIBIT 6**

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

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

ESCROW NO: 13042142-149-CK

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### 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 thereunto 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

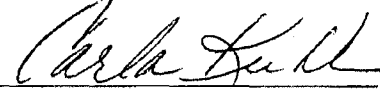
  
By: Lynita Sue Nelson, Trustee

Lynita Sue Nelson, Trustee

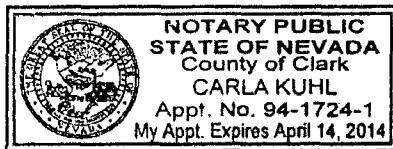
STATE OF NEVADA     )  
  ) ss.  
COUNTY OF CLARK    )

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

**STATE OF NEVADA  
DECLARATION OF VALUE FORM**

1. Assessor Parcel Number(s)

- a) 163-10-803-015
- b)
- c)

2. Type of Property:

- a)  Vacant Land
- b)  Single Fam. Res.
- c)  Condo/Twnhse
- d)  2-4 Plex
- e)  Apt. Bldg.
- f)  Comm'l/Ind'l
- g)  Agricultural
- h)  Mobile Home
- i)  Other \_\_\_\_\_

**FOR RECORDER'S OPTIONAL USE ONLY**

Book: \_\_\_\_\_ Page: \_\_\_\_\_  
Date of Recording: \_\_\_\_\_  
Notes: \_\_\_\_\_

- 3. Total Value/Sales Price of Property: \$829,000.00
- Deed in Lieu of Foreclosure Only (value of property): ( )
- Transfer Tax Value: \$829,000.00
- Real Property Transfer Tax Due: \$4,227.90

4. **If Exemption Claimed:**

- a. Transfer Tax Exemption, per NRS 375.090, Section: \_\_\_\_\_
- b. Explain Reason for Exemption: \_\_\_\_\_

5. Partial Interest: Percentage being transferred: 100%

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month.

**Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.**

Signature Lynita Sue Nelson Trust Capacity Grantor  
Signature \_\_\_\_\_ Capacity Grantee

**SELLER (GRANTOR) INFORMATION**  
**(REQUIRED)**

Print Name Lynita Sue Nelson Trust  
Address: 3316 Chesterbrook Ct.  
City, St., Zip: Las Vegas, NV 89135

**BUYER (GRANTEE) INFORMATION**  
**(REQUIRED)**

Print Name: Stefan Nathan Chock  
Address: 7065 Palmyra Avenue  
City, St., Zip: Las Vegas, NV 89117

**COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)**

Print Name: Chicago Title of Nevada, Inc.  
Address: 3100 W. Sahara Ave.  
City/State/Zip: Las Vegas, NV 89102

Escrow #: 13042142-149

# **EXHIBIT 5**

# **EXHIBIT 5**



Cashier's Check

No. 004249654

Notice to Purchaser - In the event this check is lost, misplaced or stolen, a stop payment and voiding period will be required prior to replacement. This check should be negotiated within 90 days.

Date AUGUST 29, 2013

91-1701121

Banking Center 2511000000000000

0000000000000000

00000000

Remailer (Purchased By)

Pay TO THE ORDER OF NELSON COMPANIES

\$ \*\*60000 0000

To The Order Of

28-14-3774B 09-2005

Bank of America, N.A. Phoenix, AZ


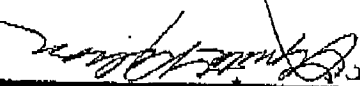
VOID AFTER 90 DAYS

Non-Negotiable



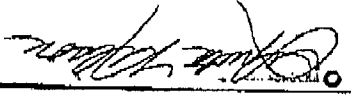
Authorized Signature

Customer Copy Retain For Your Records

252563581

<b>BANQUE LLC</b> 4115 LINDALL ROAD, SUITE 201 LAS VEGAS, NV 89119 (702) 368-3333	CITY NATIONAL BANK TYVIN BRANNO OFFICE LAS VEGAS, NEVADA 89102 1619300122	L 3039
Two Thousand Eight Hundred Sixty-Six and 37/100 Dollars		
PAY TO THE ORDER OF Lynita Nelson 7065 PALMYRA AVENUE Las Vegas, NV 89117	DATE Aug 6, 2013  AUTHORIZED SIGNATURE	AMOUNT ***\$2,868.37
MICRON 508 Lindall Jan-2013/4817 @003039* @1220150566: 353* 5327AD01		
4119873 20 10 2013 201 19721 040230 198701 1987		
018871887 88282213		
		



 <b>BARONE, LLC</b> 2115 LINDALL AVENUE, STE 200 LAS VEGAS, NV 89117 007/368-8003	CITY NATIONAL BANK TRADING BANKING OFFICE LAS VEGAS, NV 89101 702/398-1220	DATE Aug 13, 2013	AMOUNT *****5700.00
Seven Hundred and 00/100 Dollars			
PAY TO THE ORDER OF Lynda Nelson 7065 Palmyra Avenue Las Vegas, NV 89117			
Memo: and monies owed Lindall ASNT			
*00001726 *1230160664 8814537260*			
255 5042 001005 01 23 991 0202035 00010001 01000000 1000000000			
⑆019378995 88282813			
			

# **EXHIBIT 4**

# **EXHIBIT 4**

1 RPLY  
THE DICKERSON LAW GROUP  
2 ROBERT P. DICKERSON, ESQ.  
Nevada Bar No. 000945  
3 KATHERINE L. PROVOST, ESQ.  
Nevada Bar No. 008414  
4 1745 Village Center Circle  
Las Vegas, Nevada 89134  
5 Telephone: (702) 388-8600  
Facsimile: (702) 388-0210  
6 Email: info@dickersonlawgroup.com  
Attorneys for LYNITA SUE NELSON

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

10 ERIC L. NELSON,  
11 Plaintiff/Counterdefendant,  
12 v.  
13 LYNITA SUE NELSON,  
14 Defendant/Counterclaimant.

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15 ERIC L. NELSON NEVADA TRUST  
16 dated May 30, 2001, and LSN NEVADA  
TRUST dated May 30, 2001,  
17 Necessary Parties (joined in this  
18 action pursuant to Stipulation and  
Order entered on August 9, 2011)  
19

---

20 LANA MARTIN, as Distribution Trustee of  
21 the ERIC L. NELSON NEVADA TRUST  
dated May 30, 2001,  
22 Necessary Party (joined in this action  
23 pursuant to Stipulation and Order  
24 entered on August 9, 2011)/ Purported  
Counterclaimant and Crossclaimant,  
25  
26 v.  
27 LYNITA SUE NELSON and ERIC  
NELSON,  
28 Purported Cross-Defendant and  
Counterdefendant,

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

1 LYNITA SUE NELSON,  
2 Counterclaimant, Cross-Claimant,  
3 and/or Third Party Plaintiff,  
4 v.  
5 ERIC L. NELSON, individually and as the  
6 Investment Trustee of the ERIC L. NELSON  
7 NEVADA TRUST dated May 30, 2001; the  
8 ERIC L. NELSON NEVADA TRUST dated  
9 May 30, 2001; LANA MARTIN, individually,  
10 and as the current and/or former Distribution  
11 Trustee of the ERIC L. NELSON NEVADA  
12 TRUST dated May 30, 2001, and as the  
13 former Distribution Trustee of the LSN  
14 NEVADA TRUST dated May 30, 2001);  
15 Counterdefendant, and/or  
16 Cross-Defendants, and/or  
17 Third Party Defendants.

18 RESPONSE TO COURT ORDERED ACCOUNTINGS  
19 PROVIDED BY ERIC NELSON

20 COMES NOW Defendant, LYNITA SUE NELSON (“Lynita”), by and through  
21 her attorneys, ROBERT P. DICKERSON, ESQ., and KATHERINE L. PROVOST,  
22 ESQ., of THE DICKERSON LAW GROUP, and hereby files this Response to the  
23 Court ordered accountings provided by Eric Nelson on August 9, 2013 (Lindell  
24 Professional Plaza) and August 16, 2013 (Revised Lindell Professional Plaza and  
25 Banone, LLC). As Lynita is unaware of whether Eric has provided this Court with a  
26 copy of his accountings, the same as provided to her, have been attached to this  
27 Response as Exhibits A, B, and C. In addition, though not ordered by the Court,  
28 because Lynita collected certain rental income from Banone, LLC properties and the  
Lindell Professional Plaza during the June 1, 2013 through August 30, 2013 time  
period she has attached an accounting of the income she collected and the expenses  
paid by Lynita (including back-up documentation) for such properties during the same  
period of time. Lynita’s accounting is attached as Exhibit D.

1 With respect to Eric's Banone, LLC accounting, Lynita has the following  
2 concerns following her review of the revised August 12, 2013 accounting:

3 A. Income Discrepancies - None at this time.

4 B. Expense Discrepancies


5 (1) Lynita disputes the deduction and allocation of wages toward  
6 administrative/accounting/operating - Labor costs (\$2,757.51) and the  
7 deduction and allocation of wages toward maintenance - Labor costs  
8 (\$4,350.00) as stated on the accounting until such time as she is provided  
9 with the general ledger for the payment of wages as well as any other  
10 documentation which would support the stated expenses. Such  
11 documentation is required to confirm from which entity the stated  
12 expenses were actually paid, to whom, and the reasonableness of such  
13 expenses. Further, there appears to be no legitimate basis for  
14 maintenance - Labor costs as there has been minimal repairs and/or  
15 maintenance to the Banone, LLC properties and the actual costs of any  
16 maintenance and repairs has additionally been deducted as an expense.

17 By way of letter to Eric's and the ELN Trust's counsel dated August 30, 2013,  
18 the general ledger for the payment of wages as well as any other documentation which would  
19 support the stated wage expenses for each business entity together with the general ledger for  
20 the insurance costs which Eric has deducted from the Lindell Road income has been requested.

21 A copy of the referenced letter is attached as Exhibit E.

22 Dated this 30<sup>th</sup> day of August, 2013.

23 THE DICKERSON LAW GROUP

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

# Exhibit “D”

**Nelson vs Nelson**  
**Banone LLC & Lindell Property**  
**Monthly Income & Expenses by Property**  
**June through August 2013**

Banone LLC							
Address	Estimated Monthly Rental Amount <sup>(1)</sup>	Actual June income/expenses by LSN		Actual July income/expenses by LSN		Actual August income/expenses by LSN	
		Income	Expenses	Income	Expenses	Income	Expenses
4412 Baxter, LV, NV	\$350	\$0	\$0.00	\$700	\$0.00	\$700	\$0
3301 Terra Bella Dr, LV, NV	\$1,200	\$0	\$0.00	\$1,200	\$0.00	\$0	\$0
4601 Concord Village, LV, NV	\$950	\$925	\$0.00	\$925	\$0.00	\$0	\$0
5113 Churchill Ave, LV, NV	\$900	\$0	\$0.00	\$900	\$0.00	\$0	(\$320)
6304 Guadalupe Ave, LV, NV	\$800	\$0	\$0.00	\$800	\$0.00	\$0	\$0
5314 Clover Blossom Court, N LV, NV	\$1,000	\$0	\$0.00	\$0	\$0.00	\$0	\$0
1301 Heather Ridge, N LV, NV	\$1,200	\$0	\$0.00	\$0	\$0.00	\$0	\$0
6213 Anaconda, LV, NV	\$1,100	\$0	\$0.00	\$0	\$0.00	\$0	\$0
1608 Rusty Ridge Lane, Henderson NV <sup>(3)</sup>	\$0	\$0	\$0.00	\$0	\$0.00	\$0	\$0
4133 Compass Rose Way, LV, NV	\$1,000	\$0	\$0.00	\$0	\$0.00	\$0	\$0
4612 Sawyer Ave, LV, NV	\$1,000	\$0	\$0.00	\$0	\$0.00	\$0	\$0
4820 Marnell Dr, LV, NV	\$800	\$0	\$0.00	\$0	(\$85.00)	\$0	\$0
6301 Cambria Ave, LV, NV	\$1,000	\$0	\$0.00	\$0	\$0.00	\$0	\$0
<b>Total Rents</b>	<b>\$11,300</b>	<b>\$925</b>	<b>\$0.00</b>	<b>\$4,525</b>	<b>(\$85.00)</b>	<b>\$700</b>	<b>(\$320)</b>
<b>Gross Income</b>	<b>\$11,300</b>	<b>\$925.00</b>		<b>\$4,525.00</b>		<b>\$700.00</b>	
<b>Total Expenses</b>		<b>\$0.00</b>		<b>(\$85.00)</b>		<b>(\$320.00)</b>	
<b>Net Income</b>		<b>\$925.00</b>		<b>\$4,440.00</b>		<b>\$380.00</b>	

Lindell Property							
Address	Estimated Monthly Rental Amount <sup>(2)</sup>	Actual June income/expenses by LSN		Actual July income/expenses by LSN		Actual August income/expenses by LSN	
		Income	Expenses	Income	Expenses	Income	Expenses
Suites #101 & #102 - Dr. Stock		\$0	(\$112.03)	\$0	\$0.00	\$0	\$0
Suite #103 - Empty		\$0		\$0	\$0.00	\$0	\$0
Suite #104 - Empty		\$0		\$0	\$0.00	\$0	\$0
Suite #105 - Apex Properties		\$0		\$0	\$0.00	\$0	\$0
Suite #106 - Nguyen Lan		\$0		\$0	\$0.00	\$0	\$0
Suites #107 & #108 - New Life Mission		\$0		\$2,500	\$0.00	\$0	\$0
Suite #201 - Dynasty Development Group		\$0		\$0	\$0.00	\$0	\$0
<b>Total Rents</b>	<b>\$10,000</b>	<b>\$0</b>	<b>(\$112.03)</b>	<b>\$2,500</b>	<b>\$0.00</b>	<b>\$0</b>	<b>\$0</b>
<b>Gross Income</b>	<b>\$10,000</b>	<b>\$0.00</b>		<b>\$2,500.00</b>		<b>\$0.00</b>	
<b>Total Expenses</b>			<b>(\$112.03)</b>	<b>\$0.00</b>		<b>\$0.00</b>	
<b>Net Income</b>			<b>(\$112.03)</b>	<b>\$2,500.00</b>		<b>\$0.00</b>	

(1) Information per Larry Bertsch Report - Defendant's Exhibit GGGGG

(2) Total rents per Final Decree of Divorce filed 6/3/13. Information located on page 36 line 25.

(3) Estimated monthly rental income not provided.

(4) In the month of June, tenant made a rental payment of \$1,800; however, they put a stop payment on the check.

(5) Monthly rent is \$3,000. For the month of July, there was an agreement made that the tenant would pay \$2,500 upfront with the remaining \$500 made up each week, which he has not yet done. On 6/25/13, there was a letter from tenant requesting rent be reduced to \$2,500 which was not accepted and rent was to remain at \$3,000.

**Banone LLC**  
**Income**



WILMAN EGRIA  
412 EASTERN BL  
LAS VEGAS NV 89107-4252

PAY TO THE ORDER OF *LSN Nevada Trust*

DATE *7-7-12*

\$ *700*

DOLLARS

**USbank**

All of US serving YOU™

MEMO *Pay of House*

*Wilman Egria*

4: 1212016944 1537531481180187

VILMA NEVRA  
4412 BAXTER PL  
LAS VEGAS, NV 89107-4252

DATE: 8-2-12

PAY TO THE ORDER OF: L.S.N. Nevada Trust  
Seven Hundred

\$ 700

**usbank** All rights reserved

MEMO: rent

*[Signature]*

⑆0101871947557351⑆499102121⑆

NOTE: THIS RECEIPT IS VALID ONLY WHEN SIGNED BY THE ISSUING OFFICE

# RECEIPT

DATE: 12/15 No. 484180

RECEIVED FROM: Ana B. Martinez

ADDRESS: 3511 N. Santa Bella

CITY: San Antonio

STATE: TX

AMOUNT ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMT. PAID		CHECK	
BALANCE DUE		MONEY ORDER	

*[Signature]*

© 2005 VERICOR SYSTEMS

Checks and other items received for deposit subject to the terms and conditions of the bank's collection agreement. Order # P93111-2

DEPOSIT TICKET

PROPERTY Concord Village  
TENANT  
BANONE, LLC  
3811 S. Lindell Rd, Suite 201, Las Vegas, NV 89103  
702-382-3030

DATE 20  
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

SHOW HERE ONLY IF CASH RECEIVED FROM DEPOSIT

Bank of America  
Las Vegas, NV

CASH  
94-72/1224


SUB TOTAL

LESS CASH RECEIVED

\$

P93111-2

⑆540880104⑆ 501007162754⑈

**Bank of America**  **Customer Receipt**

All items are credited subject to verification, collection, and conditions of the Rules and Regulations of this Bank and as otherwise provided by law. Payments are accepted when credit is applied to outstanding balances and not upon issuance of this receipt. Transactions received after the Bank's posted cut-off time or Saturday, Sunday, and Bank Holidays, are dated and considered received as of the next business day.

Please retain this receipt until you receive your account statement.

Thank you for banking with Bank of America. Save time with fast, reliable deposits, withdrawals, transfers and more at thousands of convenient ATM locations.

06/03/2013 09:34 NNV T00040 R540880133  
Acct# \*\*\*\*\*2754 CC.Q007918 Tlr 00005

Total Deposit To CHK \$925.00  
Available Now \$925.00

Member FDIC  
95-14-2005B 10-2012

**WESTERN UNION MONEY ORDER**

WESTERN UNION FINANCIAL SERVICES INC. - ISSUER  
Englewood, Colorado



A 7554101D: 070113  
14288 08  
1425672008 L 032822

\$ 425.00

14-725672008

NOT GOOD OVER \$500.

PAY EXACTLY

FOR HUNDRED TWENTY-FIVE DOLLARS AND NO CENTS

PAY TO THE ORDER OF

LSN Nevada

PAYMENT FOR/ACCT. #

4601 Canfield Highway, ADAMS, CO, 80005  
89768  
Dorothy Scherer

⑆102100400⑆ 4014725672008A⑆

**WESTERN UNION MONEY ORDER**

WESTERN UNION FINANCIAL SERVICES INC. - ISSUER  
Englewood, Colorado



A 7554101D: 070113  
14288 08  
1425672007 L 032822

\$ 500.00

14-725672007

NOT GOOD OVER \$500.

PAY EXACTLY

FIVE HUNDRED DOLLARS AND NO CENTS

PAY TO THE ORDER OF

LSN Nevada

PAYMENT FOR/ACCT. #

4601 Canfield Highway, ADAMS, CO, 80005  
89768  
Dorothy Scherer

⑆102100400⑆ 4014725672007A⑆

BANONE, LLC

jramos@enivcorp.com  
Joan Ramos

MOVE IN/MOVE OUT FORM

Resident's Name: Janet Scherer  
Property Address: 4601 Concord Village

Move-In Date: 8-1-11  
Move-Out Date: \_\_\_\_\_

MASTER BEDROOM

Walls/Ceiling	ok
Floors	ok
Windows	Damaged - glued
Screens	No Screens
Window Covering	yes
Light Fixture	no

BATHROOM

Walls/Ceiling	ok
Floors	ok
Light Fixture	ok
Sink	ok
Toilet	ok
Tub/Shower	ok
Medicine Cabinet	ok
Window	Damage
Window Covering	<del>ok</del> ok
Exhaust Fan	ok
Towel Racks	none

BEDROOM 1

Walls/Ceiling	Smells like cigars
Floors	ok
Windows	Cont open
Screens	no screens
Window Covering	✓
Light Fixture	no

BATHROOM

Walls/Ceiling	✓
Floors	✓
Light Fixture	✓
Sink	✓
Toilet	✓
Tub/Shower	✓
Medicine Cabinet	✓
Window	Damage
Window Covering	none
Exhaust Fan	✓
Towel Racks	none

BEDROOM 2

Walls/Ceiling	ok
Floors	ok
Windows	Cont open
Screens	none
Window Covering	none
Light Fixture	no

BEDROOM N/A

Walls/Ceiling	
Floors	
Windows	
Screens	
Window Covering	
Light Fixture	

OTHER

Washer/Dryer	✓
Closest Doors	

BANONE, LLC

MOVE IN/MOVE OUT FORM (Continued)

LIVING ROOM

Walls/Ceiling	ok
Floors	good
Light Fixture	ok
Windows	✓ Damage to lock
Window Covering	✓
Screens	no screens
Fire Place	Dirty but ok

SERVICE EQUIPMENT

Air Conditioner	good
Heater	?

UTILITY AREA

Floors	ok
Walls/Ceiling	✓
Washer/Dryer	none

DINING ROOM/AREA

Walls/Ceiling	ok
Floors	ok
Light Fixture	ok
Windows	ok
Screens	none
Window Covering	ok

GARAGE/STORAGE

Floors	✓
Walls/Ceilings	✓
Light Fixture	✓
Windows	✓
Screens	none

KITCHEN

Walls/Ceiling	✓
Floors	✓
Windows	✓
Screens	none
Window Covering	✓
Light Fixture	✓
Sink	✓
Cabinets	✓
Range & Oven	✓
Refrigerator	no
Dishwasher	✓
Garbage Disposal	✓

EXTERIOR

Walls	ok
Trim	ok

LAWN/LANDSCAPE

good

MISCELLANEOUS

Door Opener	1 opener
Keys	2 keys

The undersigned acknowledges that the above is the condition of the Property on moving in.

Resident: [Signature]

Resident: \_\_\_\_\_

Management: \_\_\_\_\_

The undersigned acknowledges that the above is the condition of the Property on vacating the premises.

Resident: [Signature]

Resident: [Signature]

Management: \_\_\_\_\_

*BANONE, LLC*

February 12, 2013

Janet Sherer  
4601 Concord Village  
Las Vegas, NV 89108

RE: Confirmation of residency and lease agreement – Concord Village.

Dear Ms. Sherer:

According to your lease at 4601 Concord Village, Las Vegas, NV 89108 and dated June 1, 2010 and ending on May 31, 2013 the following persons are listed as occupants and are permitted to reside on the property.

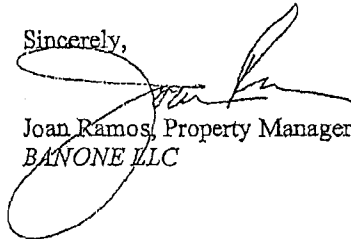
1. Janet Sherer
2. Micahel Barnes
3. Adam Sherer
4. Joshua Barnes
5. Katie Barnes

The rent due per month is \$925 due and payable by the 1<sup>st</sup> of every month. This does not include late fees that may accrue after such date.

Please contact me should you need further details of your lease. I may be reached at 702-362-3030 Ext 5.

Thank you.

Sincerely,



Joan Ramos, Property Manager  
*BANONE LLC*

---

*Corporate Offices*

3611 S. Lindell, Suite 201, Las Vegas, NV 89103 • 702.362.3030 • Fax 702.227-0075



THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO VIEW

**WESTERN UNION MONEY ORDER**      **WESTERN UNION FINANCIAL SERVICES INC. ISSUER**  
Payable at Wells Fargo Bank (Grand Junction) / Denver, N.A. / Grand Junction, Colorado      Englewood, Colorado

14-609659403

A 724397 D 070813  
 T 1942.02  
 146096594033 L 000000      \$ 150.00

PAY EXACTLY ONE HUNDRED FIFTY DOLLARS AND NO CENTS  
 PAY TO THE ORDER OF      PAYMENT FOR/ACCT. *Rent*

*5113 Church St. Grand Junction, CO 81507*      *Norma Freedman*  
PURCHASER'S ADDRESS      PURCHASER'S SIGNATURE

⑆102100400⑆ 40146096594033⑆

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO VIEW

**WESTERN UNION MONEY ORDER**      **WESTERN UNION FINANCIAL SERVICES INC. ISSUER**  
Payable at Wells Fargo Bank (Grand Junction) / Denver, N.A. / Grand Junction, Colorado      Englewood, Colorado

14-609659402

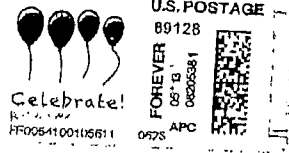
A 724397 D 070813  
 T 1941.02  
 146096594024 L 000000      \$ 750.00

PAY EXACTLY SEVEN HUNDRED FIFTY DOLLARS AND NO CENTS  
 PAY TO THE ORDER OF      PAYMENT FOR/ACCT. *Rent*

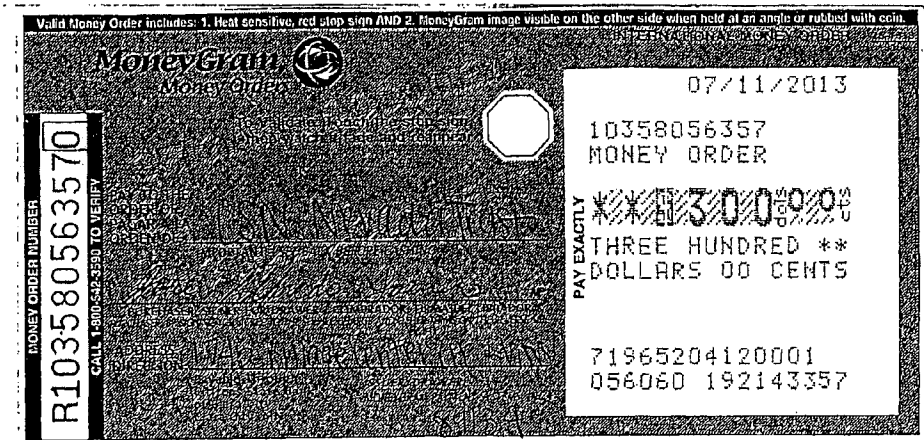
*5113 Church St. Grand Junction, CO 81507*      *Norma Freedman*  
PURCHASER'S ADDRESS      PURCHASER'S SIGNATURE

⑆102100400⑆ 40146096594024⑆

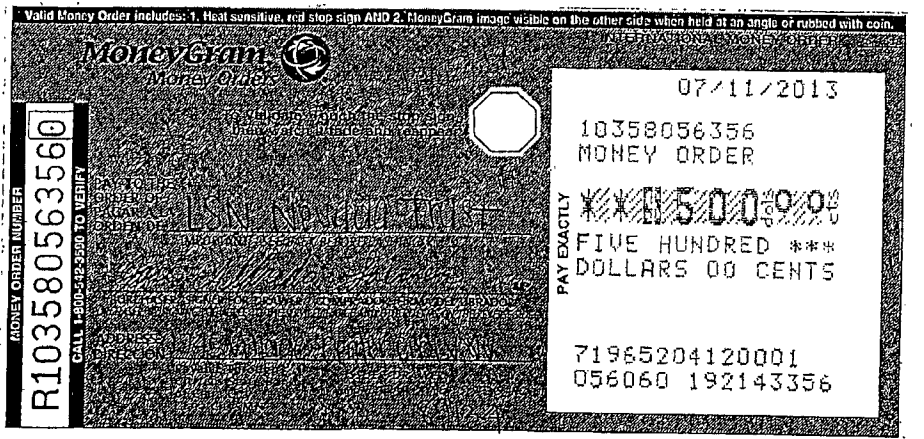
6304 Guadalupe ave.  
Las Vegas NV. 89108



LSN. Nevada Trust  
c/o The Dickerson Law  
Group.  
1745 Village Center Circle  
Las Vegas, NV 89134



⑆091916187⑆1035 80563570⑈ 90



⑆091916187⑆1035 80563560⑈ 90

# **EXHIBIT 3**

# **EXHIBIT 3**

# **EXHIBIT B1**

2009 through 2012 Consolidated Totals

	2009 - 2012 Total	2009 Total	2010 Total	2011 Total	3 1/2 Months of 2012
<b>Source &amp; Application of Rental/Interest Income</b>					
<b>Sources</b>					
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	-
<b>Total Rental &amp; Interest Income</b>	<b>2,052,841.00</b>	<b>692,431.71</b>	<b>652,345.73</b>	<b>546,429.21</b>	<b>161,634.35</b>
<b>Applications</b>					
<b>Rental Expenses</b>					
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	-
<b>Total Rental Expenses</b>	<b>1,028,018.47</b>	<b>544,905.63</b>	<b>265,242.89</b>	<b>147,776.86</b>	<b>70,093.09</b>
<b>Income/Loss, for Rental/Interest</b>	<b>1,024,822.53</b>	<b>147,526.08</b>	<b>387,102.84</b>	<b>398,652.35</b>	<b>91,541.26</b>
<b>Source &amp; Application of Other Income &amp; Expenses</b>					
<b>Sources</b>					
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
<b>Total Sources of Income</b>	<b>13,880,124.60</b>	<b>10,436,669.91</b>	<b>2,507,694.05</b>	<b>578,460.27</b>	<b>357,300.37</b>
<b>Applications</b>					
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
<b>Total Applications</b>	<b>19,019,976.99</b>	<b>11,889,964.66</b>	<b>5,060,121.00</b>	<b>1,762,537.27</b>	<b>307,354.06</b>
<b>Income/(Loss) for Other Income &amp; Expenses</b>	<b>(5,139,852.39)</b>	<b>(1,453,294.75)</b>	<b>(2,552,426.95)</b>	<b>(1,184,077.00)</b>	<b>49,946.31</b>
<b>Investment Account &amp; Line of Credit</b>					
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	-
<b>Net Deposits/(Payments)</b>	<b>1,668,202.04</b>	<b>(1,310,000.00)</b>	<b>1,947,368.17</b>	<b>782,000.00</b>	<b>248,833.87</b>
<b>Net Cash Surplus/(Deficit) for All Sources</b>	<b>(2,446,827.82)</b>	<b>(2,615,768.67)</b>	<b>(217,955.94)</b>	<b>(3,424.65)</b>	<b>390,321.44</b>

# **EXHIBIT 2**

# **EXHIBIT 2**

1 NOTC  
2 Larry L. Bertsch, CPA, CFF  
3 Nicholas S Miller, CFE, CSAR  
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 **CLARK COUNTY, NEVADA**

12 ERIC L. NELSON,

13 Plaintiff,

14 v.

15 LYNITA SUE NELSON,

16 Defendant.

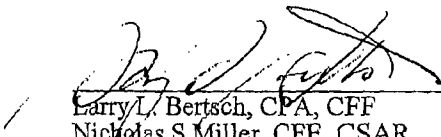
Case No. D-09-411537-D  
Dept. O

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

19 LARRY L. BERTSCH and NICHOLAS MILLER, FORENSIC ACCOUNTANTS hereby file  
20 the Income and Expense Report for Lynita Nelson for the Period of January 1, 2011 Through March  
21 31, 2012. Said report is attached hereto as **Exhibit 1**.

22 Dated this 1st day of May, 2012.

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

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

*Forensic Accountants*


1 CERTIFICATE OF MAILING

2 I certify that on the 1st day of May, 2012, I mailed a copy of the NOTICE OF FILING INCOME  
3 AND EXPENSE REPORTS FOR LYNITA NELSON FOR THE PERIOD OF JANUARY 1, 2011  
4 THROUGH MARCH 31, 2012 to the following at their last known address, by depositing the same  
5 in the United States Mail, in Las Vegas, Nevada, first class postage prepaid and addressed as  
6 follows:

7  
8 Rhonda K. Forsberg, Esq.  
9 IVEY FORSBERG & DOUGLAS  
10 1070 West Horizon Ridge Parkway, #100  
Henderson, NV 89012  
*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*

11 Mark A. Solomon, Esq.  
12 Jeffery P. Luszeck, Esq.  
13 SOLOMON DWIGGINS FREER &  
14 MORSE, LTD.  
9060 W. Cheyenne Avenue  
Las Vegas, NV 89129  
*Attorneys for Eric L. Nelson Nevada Trust*

15  
16   
17 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
<b>Income</b>					
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
<b>Total Income</b>	<b>536,936.56</b>	<b>878,051.81</b>	<b>526,155.68</b>	<b>150,034.59</b>	<b>2,091,178.64</b>
<b>Expense</b>					
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
<b>Children Payments</b>					
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
<b>Total Children Payments</b>	<b>2,532.05</b>	<b>20,835.68</b>	<b>27,882.82</b>	<b>7,202.38</b>	<b>58,452.93</b>
<b>Community Assets</b>					
Taxes	1,380.00	1,549.80	5,127.44	-	8,057.24
<b>Total Community Assets</b>	<b>1,380.00</b>	<b>1,549.80</b>	<b>5,127.44</b>	<b>-</b>	<b>8,057.24</b>
FIA Card Services	3,259.68	1,519.01	-	-	4,778.69
<b>Housing Expenses</b>					
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
<b>Total Housing Expenses</b>	<b>66,749.45</b>	<b>101,324.51</b>	<b>71,181.67</b>	<b>9,691.17</b>	<b>248,946.80</b>
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
<b>Payments to Individuals</b>					
Allen Weiss	3,910.00	-	-	-	3,910.00
<b>Total Payments to Individuals</b>	<b>3,910.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,910.00</b>

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 Atanasio	-	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	526,155.68
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	526,155.68
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													
Amanda						290.00							
Erica Nelson	600.00		4,370.00	500.00				60.00	109.00				5,854.00
Garrett Nelson	300.00			768.20	425.92		207.65	104.60					830.00
General Items	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	4,985.48	2,438.71
Total Children Payments	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	18,760.11
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										1,185.36	120.00	480.00	1,785.36
Laundry Service		602.00	297.00	859.70	595.24	7,959.32	52.19		320.10	1,034.98	4,115.02	336.19	16,169.74
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				743.58
Pest Control	80.00	40.00	40.00	40.00	80.00	40.00			40.00		80.00	40.00	520.00
Pool	365.12		120.00	240.00		491.70		240.00					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
Dobackes 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	220.00			660.00		2,370.00
Melissa Attanasio	8,997.50	1,270.00	1,440.00		6,242.50		4,192.50			1,965.00	2,600.00	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	253,543.53
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**



# **EXHIBIT 1**

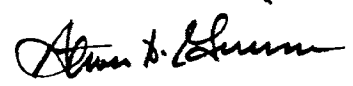
# **EXHIBIT 1**

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

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

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

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

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

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

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

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

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

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

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

THE COURT FURTHER FINDS that Eric Nelson is entitled to an absolute Decree of Divorce on the grounds of incompatibility.

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THE COURT FURTHER FINDS that during the couple's nearly thirty (30) years of marriage, the parties have amassed a substantial amount of wealth.

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

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

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

- A First Interstate Bank account;
- A Bank of America account;
- 4021 Eat Portland Street, Phoenix, Arizona;
- 304 Ramsey Street, Las Vegas, Nevada;
- Twelve (12) acres located on Cheyenne Avenue, Las Vegas, Nevada;
- Ten (10) acres located on Cheyenne Avenue, Las Vegas, Nevada;
- 1098 Evergreen Street, Phoenix, Arizona;
- Forty nine (49) lots, notes and vacant land in Queens Creek, Arizona;
- Forty one (41) lots, notes and vacant land in Sunland Park, New Mexico;
- Sport of Kings located at 365 Convention Center Drive, Las Vegas, Nevada;
- A 1988 Mercedes;
- Forty percent (40%) interest in Eric Nelson Auctioneering, 4285 South Polaris Avenue, 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.<sup>1</sup>

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.

<sup>1</sup> 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.

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

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

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

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

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

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<sup>2</sup> NRS 166.170(1)



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

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

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

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

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

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

"In the event that something happened to me, I didn't have to carry life insurance. I would put safe assets into her property in her assets for her and the kids. My assets were much more volatile, much more -- I would say daring; casino properties, zoning properties, partners properties, so we maintained this and these ----- all these trusts were designed and set up by Jeff Burr. Jeff Burr is an excellent attorney and so I felt 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)."

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

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

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

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

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

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

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

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

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

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

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

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

***Fiduciary Duty***

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

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

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

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

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

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

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

2. An investment trust adviser may exercise the powers provided to the investment trust adviser in the instrument in the best interests of the 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:

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

See, NRS 163.5557 (emphasis added).

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

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

A. I believe so, yes.

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

A. Yes, sir.

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

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

A. No, no. But I'm just saying we could have -- the this lawsuit's been pending for a while, sir. We did these 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.

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Q. You put them --

A. Yes, sir.

Q. -- into Lynita's?

A. Yes, sir --

Q. All right. Sir --

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

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

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

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

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

<sup>3</sup> NRS 163.554.  
<sup>4</sup> *Williams v. Waldman*, 108 Nev. 466, 472 (1992).

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

*Constructive Trust*

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

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

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

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

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

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

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

See, NRS 111.025 (Emphasis added).

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

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

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

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

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

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

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

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

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

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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.  
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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.<sup>5</sup> 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.<sup>6</sup>  
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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  
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28 <sup>5</sup> Mr. Nelson testified that Cal Nelson also assumed a \$160,000 liability arising from a transaction by Mr. Nelson involving a Las Vegas Casino.

<sup>6</sup> Defendant's Exhibit GGGGG

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

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

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

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

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

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<sup>7</sup> Defendant's Exhibit UUUU

<sup>8</sup> Id.

<sup>9</sup> Defendant's Exhibit GGGG.

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

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

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

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

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<sup>10</sup> Defendant's Exhibit PPPP.

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

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

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

*Unjust Enrichment*

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

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

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

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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,<sup>12</sup> 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.<sup>13</sup>  
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 Banonc, LLC on November  
19 15, 2007, the same year that he sold High Country Inn.<sup>14</sup> 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.  
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27 <sup>12</sup> 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.

<sup>13</sup> Defendant's Exhibit NNNN.

<sup>14</sup> Plaintiff's Exhibit 10K.

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THE COURT FURTHER FINDS that Banone, LLC, currently holds seventeen Nevada properties worth \$1,184,236.<sup>15</sup>

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

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

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

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

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<sup>15</sup> Defendant's Exhibit GGGGG.

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

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

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

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

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

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

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

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

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

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

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

*Credibility*

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

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

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

THE COURT FURTHER FINDS that Mr. Nelson argued in the Motion to Dissolve Injunction requesting the release of \$1,568,000, which the Court had ordered be placed in a blocked trust account and enjoined from being released, that the ELN Trust “has an opportunity to purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00; however, the ELN will be unable to do so unless the Injunction is dissolved.”

THE COURT FURTHER FINDS that despite the Court’s denial of the request to dissolve the injunction, the ELN Trust via Dynasty Development Group, LLC, completed the transaction and reacquired Wyoming Downs at a purchase price of \$440,000. The completion

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of the purchase, without the dissolution of the injunction, evinced that Mr. Nelson misstated the ELN Trust's financial position, or at the very least was less than truthful with this Court.

THE COURT FURTHER FINDS that it should be noted that in an attempt to circumvent this Court's injunction regarding the \$1,568,000, Mr. Nelson had a Bankruptcy Petition filed in the United States Bankruptcy Court, District of Nevada, on behalf of the Dynasty Development Group, LLC, requesting that the \$1,568,000 be deemed property of the Debtor's bankruptcy estate; however, the bankruptcy court found that this Court had exclusive jurisdiction over the \$1,568,000 and could make whatever disposition of the funds without regard to the Debtor's bankruptcy filing.

THE COURT FURTHER FINDS that based upon Mr. Nelson's change of testimony under oath, his repeated failure to answer questions in a direct and forthright manner, his less than candid testimony regarding the necessity of dissolving the injunction in order to purchase the Wyoming race track and RV park, and his attempt to circumvent the injunction issued by this Court clearly reflect that Mr. Nelson lacks credibility.

THE COURT FURTHER FINDS that United States Bankruptcy Judge, Neil P. Olack, of the Southern District of Mississippi, cited similar concerns as to Mr. Nelson's credibility during a bankruptcy proceeding held on June 24, 2011, regarding Dynasty Development Group, LLC. Specifically, Judge Olack noted that as a witness, Mr. Nelson simply lacked credibility in that he failed to provide direct answers to straight forward questions, which gave the clear impression that he was being less than forthcoming in his responses.<sup>16</sup>

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<sup>16</sup> Defendant's Exhibit QQQQ.

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THE COURT FURTHER FINDS that Bankruptcy Judge Olack found that the evidence showed that Mr. Nelson depleted the assets of Dynasty on the eve of its bankruptcy filing in three separate transfers, and, subsequently, dismissed the Bankruptcy Petition.<sup>17</sup>

THE COURT FURTHER FINDS that Mr. Nelson's behavior and conduct during the course of these proceedings has been deplorable. This Court has observed Mr. Nelson angrily bursting from the courtroom following hearings.

THE COURT FURTHER FINDS that Mr. Nelson has repeatedly exhibited inappropriate conduct towards opposing counsel, Mr. Dickerson, including, cursing at him, leaving vulgar voice messages on his office phone and challenging him to a fight in the parking lot of his office.

THE COURT FURTHER FINDS that Mr. Nelson's deplorable behavior also included an open and deliberate violation of the Joint Preliminary Injunction that has been in place since May 18, 2009. On 12/28/2009, Mr. Nelson purchased the Bella Kathryn property and subsequently purchased the adjoining lot on 8/11/2010. Currently, with improvements to the properties factored in, a total of \$1,839,495 has been spent on the Bella Kathryn property.

THE COURT FURTHER FINDS that Mr. Nelson was living in the Harbor Hills residence upon his separation from Mrs. Nelson and could have remained there indefinitely pending the conclusion of these proceedings, however, he chose to purchase the Bella Kathryn residence in violation of the JPI simply because he wanted a residence comparable to the marital residence located on Palmyra.

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<sup>17</sup> Defendant's Exhibit QQQQQ.

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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.

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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".<sup>18</sup> 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.

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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.

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<sup>18</sup> Intervenor's Exhibit 168.

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THE COURT FURTHER FINDS that as to Rochelle McGowan, she has had an employment relationship with Mr. Nelson dating back to 2001, and was the person primarily responsible for regularly notarizing various documents executed by Mr. and Mrs. Nelson on behalf of the ELN Trust and LSN Trust, respectively.

THE COURT FURTHER FINDS that it was the regular practice for Mr. Nelson to bring documents home for Mrs. Nelson's execution and to return the documents the following day to be notarized by Ms. McGowan.

THE COURT FURTHER FINDS that the testimony of Ms. McGowan indicating that she would contact Mrs. Nelson prior to the notarization of her signature is not credible as the Court finds it difficult to believe that Ms. McGowan would actually contact Mrs. Nelson directly every time prior to notarizing the documents.

*Lack of Trust Formalities*

THE COURT FURTHER FINDS that the formalities outlined within the ELN Trust and the LSN Trust were not sufficiently and consistently followed. Article eleven, section 11.3, of both trusts provides that Attorney Burr, as Trust Consultant, shall have the right to remove any trustee, with the exception of Mr. Nelson and Mrs. Nelson, provided that he gives the current trustee ten days written notice of their removal.

THE COURT FURTHER FINDS that Attorney Burr testified that on February 22, 2007, at Mr. Nelson's request, he removed Mr. Nelson's employee, Lana Martin, as Distribution Trustee of both the ELN Trust and the LSN Trust and appointed Mr. Nelson's sister, Nola Harber, as the new Distribution Trustee for both trusts. Attorney Burr further testified that he did not provide Ms. Martin with ten days notice as specified in the trusts documents. In June 2011, at Mr. Nelson's request, Attorney Burr once again replaced the

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Distribution Trustee for the ELN Trust, without providing ten days notice, by replacing Nola Harber with Lana Martin.

THE COURT FURTHER FINDS that the ELN Trust and LSN Trust documents require that a meeting of the majority of the trustees be held prior to any distribution of trust income or principal. During the meetings, the trustees must discuss the advisability of making distributions to the ELN Trust Trustor, Mr. Nelson, and the LSN Trust Trustor, Mrs. Nelson. At that time, a vote must take place and the Distribution Trustee must provide an affirmative vote.

THE COURT FURTHER FINDS that the testimony of Lana Martin and Nola Harber indicate that neither one of them ever entered a negative vote in regards to distributions to Mr. Nelson or Mrs. Nelson. The testimony also reflected that neither one of them ever advised Mr. Nelson or Mrs. Nelson on the feasibility of making such distributions.

THE COURT FURTHER FINDS that while Ms. Martin and Ms. Harber testified that they had the authority to approve or deny the distributions to Mr. Nelson under the ELN Trust and to Mrs. Nelson under the LSN Trust, that despite literally hundreds of distributions requests, they never denied even a single distribution request. Therefore, Ms. Martin and Ms. Harber were no more than a "rubber stamp" for Mr. Nelson's directions as to distributions to Mr. Nelson and Mrs. Nelson.

THE COURT FURTHER FINDS that while the ELN Trust produced multiple Minutes of alleged meetings; this Court seriously questions the authenticity of the submitted documentation. Specifically, several of the Minutes were unsigned, the authenticity of the signatures reflected on some of the Minutes were questionable, and several of the Minutes reflected that the meetings were held at the office of Attorney Burr while the testimony clearly established that no such meetings ever occurred at his law office.

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THE COURT FURTHER FINDS that Daniel Gerety testified that he had to make numerous adjustments to correct bookkeeping and accounting errors regarding the two trusts by utilizing the entries "Due To" and "Due From" to correctly reflect the assets in each trust.

THE COURT FURTHER FINDS that the numerous bookkeeping and accounting errors, in conjunction with the corresponding need to correct the entries to accurately reflect the assets in each trust, raises serious questions as to whether the assets of each trust were truly being separately maintained and managed.

THE COURT FURTHER FINDS that the lack of formalities further emphasizes the amount of control that Mr. Nelson exerted over both trusts and that he did indeed manage both trust for the benefit of the community.

THE COURT FURTHER FINDS that while the Court could invalidate both Trusts based upon the lack of Trust formalities, this Court is not inclined to do so since invalidation of the Trusts could have serious implications for both parties in that it could expose the assets to the claims of creditors, thereby, defeating the intent of the parties to "supercharge" the protection of the assets from creditors.

*Liabilities*

THE COURT FURTHER FINDS that while Mr. Nelson argued that he and the ELN Trust were subject to numerous liabilities, this Court did not find any documented evidence to support such claims except for the encumbrance attached to the newly reacquired Wyoming Downs property.

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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.<sup>19</sup>

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.<sup>20</sup>

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*

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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).

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28 <sup>19</sup> Defendant's Exhibit GGGGG.

<sup>20</sup> *Id.*

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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.<sup>21</sup>  
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 THE COURT FURTHER FINDS that Mrs. Nelson failed to establish that the transfers  
13 to Mr. Nelson's family members constituted waste upon the community estate.  
14

15 THE COURT FURTHER FINDS that as to Mr. Nelson's purchase, improvement and  
16 furnishing of the Bella Kathryn residence via the ELN Trust, the ELN Trust and Mr. Nelson are  
17 being sanctioned by this Court by valuing such property at "costs" in the amount of \$1,839,495  
18 instead of at its appraised value of \$925,000, and, accordingly, it would be unjust for this Court  
19 to further consider the Bella Kathryn property under a claim of community waste.  
20

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.  
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28 <sup>21</sup> 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.

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THE COURT FURTHER FINDS that the parties separated in September of 2008 when Mr. Nelson permanently left the marital residence, and, therefore, Mrs. Nelson is entitled to child support payments commencing in October 2008.

THE COURT FURTHER FINDS that Mr. Nelson's monthly earnings throughout the course of these extended proceedings exceeded the statutory presumptive maximum income range of \$14,816 and places his monthly child support obligation at the presumptive maximum amount which has varied from year to year.

THE COURT FURTHER FINDS that Mr. Nelson's child support obligation commencing on October 1, 2008 through May 31, 2013, inclusive, is as follows:

October 1, 2008 - June 30, 2009 = [(2 children x \$968) x 9 months] = \$17,424  
July 1, 2009 - June 30, 2010 = [(2 children x \$969) x 12 months] = \$23,256  
July 1, 2010 - June 30, 2011 = [(2 children x \$995) x 12 months] = \$23,880  
July 1, 2011 - June 30, 2012 = [(2 children x \$1010) x 12 months] = \$24,240  
July 1, 2012 - May 31, 2013 = [(2 children x \$1040) x 11 months] = \$22,880  
**Total = \$111,680**

THE COURT FURTHER FINDS that Mr. Bertsch's report indicates that Mr. Nelson has spent monies totaling \$71,716 on the minor children since 2009, to wit:

**2009:** Carli = \$14,000; Garrett = \$5,270;  
**2010:** Carli = \$9,850; Garrett = \$29,539;  
**2011:** Carli = \$8,630; Garrett = \$4,427  
**Total = \$71,716**

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THE COURT FURTHER FINDS that NRS 125B.080(9) describes the factors that the Court must consider when adjusting a child support obligation. The factors to consider are:

- (a) The cost of health insurance;
- (b) The cost of child care;
- (c) Any special educational needs of the child;
- (d) The age of the child;
- (e) The legal responsibility of the parents for the support of others;
- (f) The value of services contributed by either parent;
- (g) Any public assistance paid to support the child;
- (h) Any expenses reasonably related to the mother's pregnancy and confinement;
- (i) The cost of transportation of the child to and from visitation if the custodial parent moved with the child from the jurisdiction of the court which ordered the support and the noncustodial parent remained;
- (j) The amount of time the child spends with each parent;
- (k) Any other necessary expenses for the benefit of the child; and
- (l) The relative income of both parents.

THE COURT FURTHER FINDS that, while the information provided to the Court does not itemize the exact nature of the expenditures by Mr. Nelson on behalf of the children, NRS 125B.080(9)(k) does provide for a deviation for any other necessary expenses for the benefit of the child.

THE COURT FURTHER FINDS that considering the fact that \$71,716 is a relatively large sum of money, it would appear that fairness and equity demands that Mr. Nelson be given some credit for the payments he made on behalf of the children. Therefore, the Court is inclined to give Mr. Nelson credit for \$23,905 (one-third of the payments made on behalf of the children), resulting in child support arrears in the amount of \$87,775.

THE COURT FURTHER FINDS that, while Mr. Nelson did spend a rather significant 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.

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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

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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  
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2 investment talents. This type of transaction is not atypical for Mr. Nelson and demonstrates his  
3 extraordinary ability, which was developed and honed during the couple's marriage, to evaluate  
4 and maximize business opportunities and will ensure that he is always able to support himself,  
5 unlike Mrs. Nelson.

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 Sprenger<sup>22</sup>

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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 THE COURT FURTHER FINDS that based upon the distributions that Mrs. Nelson  
16 was receiving during the marriage, \$20,000 per month is a fair and reasonable amount  
17 necessary to maintain the lifestyle that Mrs. Nelson had become accustomed to during the  
18 course of the marriage.

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20 THE COURT FURTHER FINDS that based upon the property distribution that will be  
21 addressed hereinafter, Mrs. Nelson will receive some income producing properties (Lindell,  
22 Russell Road, some of the Banone, LLC properties).

23 THE COURT FURTHER FINDS that while the evidence adduced at trial reflected that  
24 the Lindell property should generate a cash flow of approximately \$10,000 a month, the  
25 evidence failed to clearly establish the monthly cash flow from the remaining properties.  
26 However, in the interest of resolving this issue without the need for additional litigation, this

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<sup>22</sup> Sprenger v. Sprenger, 110 Nev. 855 (1974).

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Court will assign an additional \$3,000 a month cash flow from the remaining properties resulting in Mrs. Nelson receiving a total monthly income in the amount of \$13,000.

THE COURT FURTHER FINDS that based upon a monthly cash flow in the amount of \$13,000 generated by the income producing properties, a monthly spousal support award in the amount of \$7,000 is fair and just and would allow Mrs. Nelson to maintain the lifestyle that she had become accustomed to throughout the course of the marriage.

THE COURT FURTHER FINDS that Mrs. Nelson is 52 years of age and that spousal support payments in the amount of \$7,000 per month for 15 years, which would effectively assist and support her through her retirement age, appears to be a just and equitable spousal support award.

THE COURT FURTHER FINDS that NRS 125.150(a) provides, in pertinent part, that the court may award alimony in a specified *principal sum* or as specified periodic payment (emphasis added).

THE COURT FURTHER FINDS that the Nevada Supreme Court has indicated that a lump sum award is the setting aside of a spouse's separate property for the support of the other spouse and is appropriate under the statute. *Sargeant v. Sargeant*, 88 Nev. 223, 229 (1972). In *Sargeant*, the Supreme Court affirmed the trial court's decision to award the wife lump sum alimony based on the husband short life expectancy and his litigious nature. The Supreme Court, citing the trial court, highlighted that "the overall attitude of this plaintiff illustrates some possibility that he might attempt to liquidate, interfere, hypothecate or give away his assets to avoid payment of alimony or support obligations to the defendant" *Id.* at 228.



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THE COURT FURTHER FINDS that Mr. Nelson's open and deliberate violation of the Joint Preliminary Injunction evidences his attitude of disregard for court orders. The Court also takes notice of Bankruptcy Judge Olack's finding that Mr. Nelson attempted to deplete the assets of Dynasty Development Group on the eve of the bankruptcy filing, raising the concern that Mr. Nelson may deplete assets of the ELN Trust precluding Mrs. Nelson from receiving a periodic alimony award.

THE COURT FURTHER FINDS that Mr. Nelson has been less than forthcoming as to the nature and extent of the assets of the ELN Trust which raises another possible deterrent from Mrs. Nelson receiving periodic alimony payments.

THE COURT FURTHER FINDS that, as addressed hereinbefore, the ELN Trust moved this Court to dissolve the injunction regarding the \$1,568,000 because it "has an opportunity to purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00; however, the ELN will be unable to do so unless the Injunction is dissolved."

THE COURT FURTHER FINDS that despite the representation to the Court that the injunction needed to be dissolved so that the ELN Trust would be able to purchase Wyoming Downs, less than a month after the hearing, the ELN Trust, with Mr. Nelson serving as the investment trustee, completed the purchase of Wyoming Downs. This leads this Court to believe that Mr. Nelson was less than truthful about the extent and nature of the funds available in the ELN Trust and such conduct on the part of Mr. Nelson raises serious concerns about the actions that Mr. Nelson will take to preclude Mrs. Nelson from receiving periodic spousal support payments.

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THE COURT FURTHER FINDS that Mr. Nelson alleged numerous debts and liabilities worth millions of dollars, but forensic accountant, Mr. Bertsch, found that these alleged debts and liabilities were based solely on threats and speculations.

THE COURT FURTHER FINDS that Mr. Nelson's practice of regularly transferring property and assets to family members, as highlighted in the transactions involving the High Country Inn and Russell Road properties, contributes to this Court's concern that Mr. Nelson may deplete the assets of the ELN Trust via such family transfers, and, thereby, effectively preclude Mrs. Nelson from receiving a periodic spousal support award.

THE COURT FURTHER FINDS that Mr. Nelson's overall attitude throughout the course of these proceedings illustrates the possibility that he might attempt to liquidate, interfere, hypothecate or give away assets out of the ELN Trust to avoid payment of his support obligations to Mrs. Nelson, thereby justifying a lump sum spousal support award to Mrs. Nelson based on the factors addressed hereinabove and the rationale enunciated in *Sargeant*.

THE COURT FURTHER FINDS that calculation of a monthly spousal support obligation of \$7,000 for 15 years results in a total spousal support amount of \$1,260,000 which needs to be discounted based upon being paid in a lump sum. Accordingly, Mrs. Nelson is entitled to a lump sum spousal support award in the amount of \$800,000.

THE COURT FURTHER FINDS that the ELN Trust should be required to issue a distribution from the \$1,568,000 reflected in the account of Dynasty Development Group, LLC, and currently held in a blocked trust account pursuant to this Court's injunction, to satisfy Mr. Nelson's lump sum spousal support obligation and to satisfy his child support arrearages obligation.

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THE COURT FURTHER FINDS that Mr. Nelson argues that Dynasty Development Group, LLC, is 100% held by the ELN Trust, and, therefore, he has no interest in Dynasty nor the funds reflected in the Dynasty account as all legal interest rests with the ELN Trust.<sup>23</sup>

THE COURT FURTHER FINDS that various statutes and other sources suggest that the interest of a spendthrift trust beneficiary can be reached to satisfy support of a child or a former spouse.<sup>24</sup> Specifically, South Dakota, which also recognizes self-settled spendthrift trust, has addressed the issue in South Dakota Codified Law § 55-16-15 which states:

Notwithstanding the provisions of §§ 55-16-9 to 55-16-14, inclusive, this chapter does not apply in any respect to any person to whom the transferor is indebted on account of an agreement or *order of court* for the payment of *support* or *alimony* in favor of such transferor's spouse, *former spouse*, or children, or for a *division or distribution of property* in favor of such transferor's spouse or former spouse, to the extent of such debt (emphasis added).

Wyoming, which also allows self-settled spendthrift trust, has also addressed the matter through Wyoming Statutes Annotated § 4-10-503(b):

(b) Even if a trust contains a spendthrift provision, a person who has a judgment or court order against the beneficiary for child support or maintenance may obtain from a court an order attaching present or future distributions to, or for the benefit of, the beneficiary.

THE COURT FURTHER FINDS that, while not binding on this Court, these statutes clearly demonstrate that spouses entitled to alimony or maintenance are to be treated differently than a creditor by providing that the interest of a spendthrift trust beneficiary can be reached to satisfy support of a child or a former spouse.

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<sup>23</sup> NRS 166.130  
<sup>24</sup> Restatement (Third) of Trust § 59 (2003).

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THE COURT FURTHER FINDS that in *Gilbert v. Gilbert*, 447 So.2d 299, the Florida Court of Appeals affirmed the district court's order that allowed the wife to garnish the husband's beneficiary interest in a spendthrift trust to satisfy the divorce judgment regarding alimony payments.

THE COURT FURTHER FINDS that the *Gilbert* court found that while "the cardinal rule of construction in trusts is to determine the intention of the settler and give effect to his wishes . . . there is a strong public policy argument which favors subjecting the interest of the beneficiary of a trust to a claim for alimony."<sup>25</sup> The Court went on to state that the dependents of the beneficiary should not be deemed to be creditors as such a view would "permit the beneficiary to have the enjoyment of the income from the trust while he refuses to support his dependents whom it is his duty to support."<sup>26</sup> The *Gilbert* court went on to state that a party's responsibility to pay alimony "is a duty, not a debt."<sup>27</sup>

THE COURT FURTHER FINDS that there is a strong public policy argument in favor of subjecting the interest of the beneficiary of a trust to a claim for spousal support and child support, and, as such, Mr. Nelson's beneficiary interest in the ELN Trust should be subjected to Mrs. Nelson award of spousal support and child support.

*Attorney's Fees*

THE COURT FURTHER FINDS that NRS 18.010(2)(b) provides, in pertinent part, for the award of attorney's fees to the prevailing party: "when the court finds that the claim, counterclaim, cross-claim or third-party complaint or defense of the opposing party was brought or maintained without reasonable ground or to harass the prevailing party."

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<sup>25</sup> Id at 301.  
<sup>26</sup> *Gilbert v. Gilbert*, 447 So.2d 299, 301  
<sup>27</sup> Id at 301.

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THE COURT FURTHER FINDS that Mr. Nelson, as the Investment Trustee for the ELN Trust, was the person authorized to institute legal action on behalf of the Trust.

THE COURT FURTHER FINDS that Mr. Nelson did not request that the ELN Trust move to be added as a necessary party to these proceedings until almost two years after initiating this action and following the initial six days of trial. It is apparent to this Court that Mr. Nelson was not satisfied with the tenor of the courts preliminary "findings" in that it was not inclined to grant his requested relief, and, consequently, decided to pursue a "second bite at the apple" by requesting that the ELN Trust pursue being added as a necessary party.

THE COURT FURTHER FINDS that adding the ELN Trust as a necessary party at this rather late stage of the proceedings, resulted in extended and protracted litigation including the re-opening of Discovery, the recalling of witnesses who had testified at the initial six days of trial, and several additional days of trial.

THE COURT FURTHER FINDS that Mr. Nelson's position that he had a conflict of interest which prevented him from exercising his authority to institute legal action on behalf of the ELN Trust was not credible as he had appeared before this Court on numerous occasions regarding community waste issues and the transfer of assets from the ELN Trust and the LSN Trust and had never raised an issue as to a conflict of interest.

THE COURT FURTHER FINDS that while both parties were aware of the existence of the ELN and LSN Trusts from the onset of this litigation, and, as such, Mrs. Nelson could have moved to add the ELN Trust as a necessary party, Mr. Nelson had consistently maintained throughout his initial testimony that the assets held in the ELN Trust and the LSN Trusts were property of the community.

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THE COURT FURTHER FINDS that, while this Court fully respects and supports a party's right to fully and thoroughly litigate its position, Mr. Nelson's change in position as to the character of the property of the ELN Trust and LSN Trust in an attempt to get a "second bite of the apple", resulted in unreasonably and unnecessarily extending and protracting this litigation and additionally burdening this Court's limited judicial resources, thereby justifying an award of reasonable attorney fees and costs in this matter.

THE COURT FURTHER FINDS that in considering whether or not to award reasonable fees and cost this Court must consider "(1) the qualities of the advocate: his ability, his training, education, experience, professional standing and skill; (2) the character of the work to be done: its difficulty, its intricacy, its importance, time and skill required, the responsibility imposed and the prominence and character of the parties where they affect the importance of the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given to the work; (4) the result: whether the attorney was successful and what benefits were derived." *Brunzell v. Golden Gate Nat'l Bank*, 85 Nev. 345, 349 (1969).

THE COURT FURTHER FINDS Attorney Dickerson has been Mrs. Nelson's legal counsel continuously since September 2009 and is a very experienced, extremely skillful and well-respected lawyer in the area of Family Law. In addition, this case involved some difficult and complicated legal issues concerning Spendthrift Trusts and required an exorbitant commitment of time and effort, including the very detailed and painstaking review of voluminous real estate and financial records. Furthermore, Attorney Dickerson's skill, expertise and efforts resulted in Mrs. Nelson's receiving a very sizeable and equitable property 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.

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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 THE COURT FURTHER FINDS that in preparing this Decree of Divorce, the  
19 monetary values and figures reflected herein were based on values listed in Mr. Bertsch's  
20 report and the testimony elicited from the July and August 2012 hearings.<sup>28</sup>

21 THE COURT FURTHER FINDS that as to the repurchase of Wyoming Downs by the  
22 ELN Trust via the Dynasty Development Group, this Court is without sufficient information  
23 regarding the details of the repurchase of the property, the value of the property and the  
24 encumbrances on the property to make a determination as to the disposition of the property,  
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<sup>28</sup> *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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IT IS FURTHER ORDERED that the following properties shall remain in or be 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</u> (\$2,166,775 + \$98,338.50)
<b>Total</b>	<b>\$8,783,487.50</b>

IT IS FURTHER ORDERED that the following properties shall remain in or be 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</u> (\$2,166,775 + \$98,338.50)
<b>Total</b>	<b>\$8,785,988.50</b>

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IT IS FURTHER ORDERED that due to the difference in the value between the ELN Trust and the LSN Trust in the amount of \$153,499, the Trusts shall be equalized by transferring the JB Ramos Trust Note from the Notes Receivable of the ELN Trust, valued at \$78,000, to the LSN Trust as already reflected on the preceding page.<sup>29</sup>

IT IS FURTHER ORDERED that the injunction regarding the \$1,568,000 reflected in the account of Dynasty Development Group, LLC, ("Dynasty Buyout") and currently held in a blocked trust account, is hereby dissolved.

IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the \$1,568,000, herein awarded to the ELN Trust, to pay off the lump sum spousal support awarded to Mrs. Nelson in the amount of \$800,000. Said payment shall be remitted within 30 days of the date of this Decree.

IT IS FURTHER ORDERED that Mrs. Nelson is awarded child support arrears in the amount of \$87,775 and that the ELN Trust shall use the distribution of the \$1,568,000, herein awarded to the ELN Trust, to pay off the child support arrears awarded to Mrs. Nelson via a lump sum payment within 30 days of issuance of this Decree.

IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the \$1,568,000, herein awarded to the ELN Trust, to pay Mr. Bertsch's outstanding fees in the amount of \$35,258 within 30 days of issuance of this Decree.<sup>30</sup>

IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the \$1,568,000, herein awarded to the ELN Trust, to reimburse Mrs. Nelson for attorney's fees paid to Attorney Dickerson in the amount of \$144,967 in payment of fees resulting from Mr.

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<sup>29</sup> Defendant's Exhibit GGGGG.

<sup>30</sup> Second Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the Period from April 1, 2012 through July 25, 2012.

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Nelson's unreasonable and unnecessary extension and protraction of this litigation. Said payment shall be remitted to Mrs. Nelson within 30 days of the date of this Decree.

IT IS FURTHER ORDERED that the funds remaining, in the amount of approximately \$500,000, from the distribution of the \$1,568,000, herein awarded to the ELN Trust, after the payment of the spousal support, child support arrears, Mr. Bertsch's fees and reimbursement of the attorney fees to Mrs. Nelson, shall be distributed to Mr. Nelson within 30 days of issuance of this Decree

IT IS FURTHER ORDERED that Mr. Nelson shall pay Mrs. Nelson \$2080 in child support for the month of June 2013 for their children Garrett and Carli.

IT IS FURTHER ORDERED that Mr. Nelson shall pay Mrs. Nelson \$1,058 a month in support of their child Carli, commencing on July 1, 2013 and continuing until Carli attains the age of majority or completes high school, which ever occurs last.

IT IS FURTHER ORDERED that Mr. Nelson shall maintain medical insurance coverage for Carli.

IT IS FURTHER ORDERED that any medical expenses not paid by any medical insurance covering Carli shall be shared equally by the parties, with such payments being made pursuant to the Court's standard "30/30" Rule.

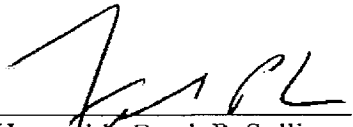
IT IS FURTHER ORDERED that the parties shall equally bear the private education costs, including tuition, of Carli's private school education at Faith Lutheran.

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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 3<sup>rd</sup> 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  
5 TRUST dated May 30, 2001

6                                   Petitioners,

7 vs.

8 EIGHTH JUDICIAL DISTRICT COURT  
9 OF THE STATE OF NEVADA, CLARK  
10 COUNTY, and THE HONORABLE  
11 FRANK P. SULLIVAN, DISTRICT  
12 JUDGE

13                                   Respondents,

14 and

15 ERIC L. NELSON and LYNITA S.  
16 NELSON, individually, and LSN  
17 NEVADA TRUST dated May 30, 2001.

18                                   Real Parties in Interest.

Electronically Filed  
May 07 2014 04:11 p.m.  
Tracie K. Lindeman  
Clerk of Supreme Court

**CASE NO. 63545**

19                                   **OPPOSITION TO MOTION TO DISSOLVE TEMPORARY STAYS**

20                                   MARK A. SOLOMON, ESQ., NSB #0418  
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22                                   JEFFREY P. LUSZECK, ESQ., NSB #9619  
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27                                   Telephone: (702) 853-5483  
28                                   Attorneys for Petitioner, Nola Harber as  
                                 Distribution Trustee of the ELN Nevada Trust

1 **I. INTRODUCTION**

2 Lynita Nelson’s Motion to Dissolve Temporary Stays (“Motion to  
3 Dissolve”) is no more than a motion for reconsideration of this Court’s July 29,  
4 2013, Order Granting Temporary Stay, which recapitulates the same arguments  
5 made in her Answer to Petition for Writ of Prohibition and Opposition to  
6 Emergency Motions Under NRAP 27(e) for Stay filed by the ERIC L. NELSON  
7 NEVADA TRUST dated May 30, 2001 (“ELN Trust”), all of which were filed  
8 prior to this Court entering its July 29, 2013, Order Granting Temporary Stay.  
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12 The ELN Trust welcomes a ruling by the Supreme Court on its Petition for  
13 Writ of Prohibition, which raise the following issues: “(1) [w]hether the District  
14 Court exceeded its jurisdiction and erred as a matter of law by ordering the ELN  
15 Trust to transfer certain assets to “equalize” and/or “level off” the ELN Trust and  
16 LSN Trust; (2) [w]hether the District Court exceeded its jurisdiction and erred as a  
17 matter of law by enforcing the purported intent of Eric and Lynita to “equalize” the  
18 assets owned by the ELN Trust and LSN Trust despite the fact that there is no  
19 legally enforceable agreement and neither Eric nor Lynita possess a community or  
20 separate property interest in the assets owned by such trusts; (3) [w]hether the  
21 District Court exceeded its jurisdiction and erred a matter of law by imposing a  
22 constructive trust over assets owned by the ELN Trust that did not originate from  
23 Lynita and/or the LSN Trust.” See Petition for Writ of Prohibition at 14:17-15:4.  
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1 That being said, dissolving the stay prior to a ruling on the underlying writ is  
2 inappropriate as it would force the ELN Trust to transfer real property to the LSN  
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4 thereby allowing the LSN Trust and/or Lynita to enter into leases, encumber,  
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6 modify existing leases and/or sell the real property before the LSN Trust even has  
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8 the ability to file an appeal as the District Court's Decree of Divorce is not a final  
9  
10 order. *see* Decree of Divorce attached as **Exhibit 1**.

11 Notwithstanding the foregoing, Lynita demands that the stay be lifted  
12  
13 because of her belief that the District Court "could have" invalidated the ELN  
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15 Trust. Such argument disregards the simple fact that the District Court did not do  
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17 so. Lynita's other arguments, including her self-serving contention that the stay is  
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19 causing her irreparable harm, grossly misstates the evidence in this matter as she is  
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21 a beneficiary of a trust that owns millions of dollars in assets.

22 For these reasons, the stay should remain in place until this Court enters its  
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24 writ prohibiting the District Court's enforcement of the Decree of Divorce in  
25  
26 which the District Court orders the ELN Trust to transfer its real property to the  
27  
28 LSN Trust.

## 29 **II. STATEMENT OF FACTS AND PROCEDURAL HISTORY**

30 Just like she has in prior pleadings, Lynita has taken great liberty with what  
31  
32 occurred at the trial and pertinent provisions of the Decree of Divorce in a  
33  
34 desperate attempt to confuse this Court and shift the focus on the simple question



1 raised in the Petition for Writ of Prohibition. The ELN Trust relies upon its prior  
2 pleadings on file which rebut these representations.  
3

4 **III. LEGAL ARGUMENT**

- 5 **1. The ELN Trust’s Petition for Writ of Prohibition has a likelihood**  
6 **of success on the merits because the District Court exceeded its**  
7 **jurisdiction and erred as a matter of law by ordering the ELN**  
8 **Trust to transfer its real property to the LSN trust in**  
9 **contravention of NRS Chapter 21.**

10 Lynita contends that the ELN Trust’s Petition for Writ of Prohibition does  
11 not have a likelihood of success on the merits based upon her belief that the  
12 District Court “could have” invalidated the ELN Trust. Not true. Although the  
13 District Court did mistakenly find that it could “invalidate” both the ELN Trust  
14 and LSN Trust, *see id.* at 29: 14-18, a finding that the ELN Trust adamantly  
15 disagrees with, it did not do so. Indeed, as indicated *supra*, the District Court  
16 confirmed that the ELN Trust was “established as a self-settled spendthrift trust in  
17 accordance with NRS 166.020,” *see Ex. 1* at 4:25, and funded with assets that  
18 were previously owned by a separate property trust that had been established by  
19 Eric in or around 1993. *See id.* at 4:16-17. Since Judge Sullivan did not  
20 invalidate the ELN Trust it is afforded the protections contained within NRS  
21 Chapter 21 and Nevada’s self-settled spendthrift trust statutes.  
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27 Lynita would also have this Court believe that the ELN Trust is not entitled  
28 to any protection under Nevada’s self-settled spendthrift trust statutes because

1 “the District Court essentially found that the ELN and LSN Trusts were Eric’s  
2 alter egos.” This contention is not true and unsupported by the record. First, the  
3 District Court never referred to the ELN Trust as a “sham” or the “alter ego” of  
4 Eric in its Decree of Divorce. To the contrary, the District Court confirmed that  
5 the ELN Trust was “established as a self-settled spendthrift trust[s] in accordance  
6 with NRS 166.020,” *see* Ex. 1 at 4:25, and that the ELN Trust was funded with  
7 assets that were previously owned by a separate property trust that had been  
8 established by Eric in or around 1993. *See id.* at 4:16-17.

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12 More importantly, however, is the fact that the District Court did not  
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14 invalidate the ELN Trust because: “invalidation of the Trusts could have serious  
15 implications for both parties in that it could expose the assets to the claims of  
16 creditors, thereby, defeating the intent of the parties to “supercharge” the  
17 protection of the assets from creditors.” *See* Ex. 1 at 29:15-18. Simply put, the  
18 District Court wanted to protect the ELN Trust, for reasons, including, but not  
19 limited to, protecting trust assets from the claims of creditors. In the event that the  
20 District Court intends to invalidate the ELN Trust at a future date, as Lynita  
21 insinuates it will do, the ELN Trust will have additional grounds to seek relief  
22 directly from this Court.  
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26  
27 For these reasons, and those set forth in the Petition for Writ of Prohibition,  
28 the ELN Trust has a likelihood of success on the merits because the District Court

1 exceeded its jurisdiction and erred as a matter of law by directing the ELN Trust  
2 to transfer its real property to the LSN Trust for the acts allegedly committed by  
3  
4 Eric.

5           **2. Lynita is not harmed by the imposition of the stay because she is**  
6           **the beneficiary of the LSN Trust which recently sold a piece of**  
7           **real property for \$829,000 and owns millions of dollars in**  
8           **additional assets.**

9           Despite the irreparable harm that the ELN Trust would suffer if the stay is  
10 lifted, Lynita brazenly contends that the stay must be lifted because it causes her  
11 irreparable harm. In so doing, Lynita grossly misstates her financial condition as  
12 the facts of this matter establish that: (1) Lynita has squandered millions of dollars  
13 since the initiation of the divorce proceeding in 2009; (2) the LSN Trust, of which  
14 Lynita is a beneficiary just sold one of its assets for \$829,000 thereby providing  
15 the LSN Trust with liquid assets; and (3) the LSN Trust owns over \$3,000,000 in  
16 other assets.  
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20           As Lynita admitted in her Motion for Ruling, from June 2009 through May  
21 2012, the LSN Trust had over \$2,091,178.64 in cash. *See* Notice of Filing Income  
22 and Expense Reports for Lynita Nelson for the Period of January 1, 2011 through  
23 March 31, 2012, attached as **Exhibit 2**. In addition to the \$2,091,178.64 in cash  
24 the ELN Trust paid Lynita directly an additional \$89,517.12 (\$65,505.94 in 2009,  
25 \$13,003.58 in 2010, \$10,763.30 in 2011 and an additional \$244.00 for the first 3  
26 ½ months of 2012). *See* Exhibit B1, attached hereto as **Exhibit 3**. Consequently,  
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1 from June 2009 through March 2012, Lynita, individually and/or as a beneficiary  
2 of the LSN Trust, had access to at least \$2,180,695.75 in cash. During such time  
3 period the LSN Trust paid \$542,801.84 of Lynita's "personal expenses," and  
4 Lynita withdrew an additional \$231,754.16 in cash from the LSN Trust for a total  
5 of \$774,556.00. See Ex. 3. Ironically, Lynita complains that during that same  
6 time period Eric received personal draws and paid personal expenses from the  
7 ELN Trust totaling \$697,476.29.<sup>1</sup>

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11 Lynita also misleads this Court by insinuating that she has not received any  
12 money since the entry of the Decree of Divorce on June 3, 2013. This is simply  
13 not true. Indeed, Lynita intentionally withheld the fact that she has received  
14 \$13,718.00 in child support payments since July 2013, see Ex. 1 at 49: 10-14  
15 (requiring a \$2,080 child support payment for June 2013 and \$1,058.00 a month  
16 from July 1, 2013 through present), that she, via the LSN Trust collected an  
17 additional \$8,650.00 in rents directly from tenants prior to this Court entering its  
18 stay in Case No. 63432, see Response to Court Ordered Accountings Provided by  
19 Eric Nelson, attached hereto as **Exhibit 4**, and she has received an additional  
20 \$36,297.34 in August 2013, which represented 50% of the net income collected

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<sup>1</sup> In an effort to further deceive this Court about the benefits that were  
purportedly provided to Eric, Lynita contends that Eric "gave his family members  
(other than the parties' children) \$3,900,115.29." This is not true as the District  
Court made specific findings in the Decree of Divorce that the "transfers to  
Mr. Nelson's family members were to compensate them for various services  
rendered and for joint-investment purposes." DD 31:2-4.

1 collected by the Lindell Professional Plaza from January 2010 through July 2013.

2 *See* copies of the checks attached as **Exhibit 5**.

3  
4 Additionally, although Lynita admitted in her Motion to Dissolve that she  
5 sold her primary residence in 2013, which was owned by the LSN Trust, she  
6 failed to advise this Court that the home sold for \$829,000.00. *See* Grant,  
7 Bargain, Sale Deed, attached hereto as **Exhibit 6**.

8  
9 Perhaps more importantly however, in addition to millions of dollars  
10 referenced above, the LSN Trust owns assets worth \$3,747,439.00:

12	Pebble Beach Property	\$ 75,000.00
13	Arizona Gateway Lots	\$ 139,500.00
14	Wyoming Property (200 acres)	\$ 405,000.00
15	Arnold Property in Miss.	\$ 40,000.00
16	Mississippi RV Park	\$ 559,042.00
17	Mississippi Property	\$ 870,193.00
18	Grotta 16.67% Interest	\$ 21,204.00
19	Lindell Property	\$ 1,145,000.00
	½ of Brianhead Cabin	<u>\$ 492,500.00</u>
	<b>TOTAL</b>	<b>\$3,747,439.00</b>

20 *See* Ex. 1 at 47:17-25.

21  
22 For these reasons, it is readily apparent that Lynita is not suffering  
23 irreparable harm; however, even if she was, such harm does not create a legal  
24 obligation on behalf of the ELN Trust to give its assets to Lynita. The only Party  
25 that would be harmed if the stay is lifted prior to a ruling on the Petition for Writ  
26 of Prohibition is the ELN Trust because Lynita will be able to enter into leases,  
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1 encumber, modify existing leases and/or sell the real property before the ELN  
2 Trust even has the ability to file an appeal.  
3

4         Alternatively, Lynita also requests that if this Court is not inclined to  
5 dissolve the stay it should issue an order allowing her to receive the income from  
6 the properties awarded to the LSN Trust in the Decree of Divorce so that she  
7 would be able to “maintain herself during the continued litigation of the parties’  
8 divorce in this Court and the District Court.” This argument is absurd. If the ELN  
9 Trust’s writ is granted then Lynita will have no interest in the properties she seeks  
10 income from. Further, if Lynita is unable to support herself at this time without  
11 the income from the properties awarded to the LSN Trust, which is refuted by the  
12 evidence above, how is she going to repay the same in the event the ELN Trust  
13 succeeds on its writ? The answer is simple: she will be unable to do so. The ELN  
14 Trust will be additionally unable to recoup any funds paid to Lynita because she  
15 has no assets, but rather is a beneficiary of a Nevada self-settled spendthrift trust,  
16 the LSN Trust, which pursuant to Nevada law is not required to pay her personal  
17 obligations. In light of the foregoing, the Motion to Dissolve should be denied in  
18 its entirety.  
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25                 **3. The ELN Trust does not have a plain, speedy and adequate**  
26                 **remedy in the ordinary course of law.**

27         Lynita’s contention that the ELN Trust has a “plain, speedy and adequate  
28 remedy in the ordinary course of law” is simply not true. The fact that an appeal

1 will eventually be available from the final judgment does not preclude issuance of  
2 the writ,<sup>2</sup> particularly in circumstances where the court has exceeded its  
3 jurisdiction and the challenged order is not appealable.<sup>3</sup> The cases cited by  
4 Respondents stand for the proposition that a right to appeal “is generally an  
5 adequate legal remedy that precludes writ relief” because the parties could  
6 currently file an appeal or do so within a relatively short time-frame;<sup>4</sup> however,  
7 the facts in this matter establish that an appeal is not either a plain, speedy or  
8 adequate remedy.  
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12 As stated in the ELN Trust’s Request for Ruling previously filed on  
13 July 29, 2013, and acknowledged by Lynita in her Answer, the District Court  
14 exceeded its jurisdiction on July 22, 2013, by stating it would treat Wyoming  
15 Downs under *Amie v. Amie*, 106 Nev. 541, 796 P.2d 233 (1990) as an undisclosed  
16 asset, despite the fact that Wyoming Downs is not an undisclosed asset, as  
17 evidence was introduced regarding Wyoming Downs at trial and the Divorce  
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21 \_\_\_\_\_  
22 <sup>2</sup> *G. & M. Properties v. Second Judicial Dist. Court In & For Washoe Cnty.*,  
23 95 Nev. 301, 304, 594 P.2d 714, 715-16 (1979) citing *Public Service Comm. v.*  
24 *Court*, 61 Nev. 245, 123 P.2d 237 (1942) (writ issued because right to appeal was  
not speedy nor adequate),

25 <sup>3</sup> *Id.* citing NRAP 3A(b); *Clack v. Jones*, 62 Nev. 72, 140 P.2d 580 (1943).

26 <sup>4</sup> *Pan v. Eight Judicial Dist. Court ex rel. Cnty. of Clark*, 120 Nev. 222, 225,  
27 88 P.3d 840, 841 (2004) (“Because this petition challenges a district court order  
28 that dismissed petitioners complaint, which is a final, appealable judgment under  
NRAP 3A(b)(1), writ relief is inappropriate”).

1 Decree specifically references such asset. In so doing, the District Court reopened  
2 discovery and scheduled an evidentiary hearing, which is currently scheduled for  
3 May 30, 2014. Consequently, contrary to Lynita's contention, the ELN Trust is  
4 unable to file an appeal until at least June 2014.  
5

6  
7 If the stay is dissolved the ELN Trust will not have an adequate remedy at  
8 law because Lynita can enter into leases, encumber, modify existing leases and/or  
9 sell the real property before Petitioner even has the ability to file an appeal.<sup>5</sup> As  
10 such, the ELN Trust would be unable to recoup the real property, or the  
11 diminution of rights associated with that real property, if successful on appeal.  
12

13  
14 **VI. CONCLUSION**

15 For the reasons set forth below, and those raised in the Petition for Writ of  
16 Prohibition, the ELN Trust respectfully requests that this Court maintain the stay  
17 until it rules upon the Petition for Writs of Prohibition as dissolving the stay prior  
18 to such time will cause irreparable harm to the ELN Trust for the reasons stated  
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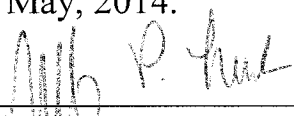
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26 <sup>5</sup> For these reasons, this case is analogous to *State ex rel. Milchem Inc. v.*  
27 *Third Judicial Dist. Court In & For Lander Cnty.*, 84 Nev. 541, 544, 445 P.2d 148,  
28 149 (1968), wherein this Court issued a writ of prohibition based upon its belief  
that the value of property could be destroyed pending an appeal.



1 herein, the Petition for Writ of Prohibition and Emergency Motion Under NRAP  
2 27(e) for Stay.  
3

4 Respectfully submitted this 7<sup>th</sup> day of May, 2014.



5  
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14 Attorneys for Petitioner, Distribution Trustee  
15 of the ELN Nevada Trust  
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1 **CERTIFICATE OF SERVICE**

2 Pursuant to Nev.R.App.P. 5(b), I hereby certify that I am an employee of the  
3 law firm of Solomon Dwiggin & Freer, Ltd., and that on May 7, 2014, I filed a  
4 true and correct copy of the foregoing **OPPOSITION TO MOTION TO**  
5 **DISSOLVE TEMPORARY STAYS**, with the Clerk of the Court through the  
6 Court's eFlex electronic filing system and notice will be sent electronically by the  
7 Court to the following:  
8

9  
10  
11 Robert P. Dickerson, Esq.  
12 Katherine L. Provost, Esq. Counsel for Lynita S. Nelson, defendant  
13 THE DICKERSON LAW GROUP in District Court  
14 1745 Village Center Circle  
Las Vegas, Nevada 89134

15 Rhonda K. Forsberg, Esq.  
16 64 N. Pecos Road, Suite 800 Counsel for Eric L. Nelson, real party in  
17 Henderson, Nevada 89074 interest

18  
19 I also hereby certify that the foregoing document will be sent via United  
20 States Mail, postage fully prepaid, on this date to the following:

21  
22 Hon. Frank P. Sullivan, Eighth Judicial District Court, Department O  
23 Robert P. Dickerson, Esq.  
24 Rhonda K. Forsberg, Esq.

25 Dated: May 7, 2014.

26  
27   
28 An employee of SOLOMON DWIGGIN &  
FREER, LTD.